

UNITED STATES OF AMERICA,

Plaintiff,

vs.

RUSSELL LUCIUS LAFFITTE,

Defendant.

Docket No. 9:22-658

Charleston, SC

Volume VII

DATE: November 18, 2022

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1 THE COURT: Are there any matters that either
2 counsel need to bring to the Court's attention, first from
3 the Government?

4 MR. HOLLIDAY: Your Honor, I do. I think it's
5 pretty brief. Shouldn't be too controversial. Tiffany
6 Provence, I believe, is going to be testifying today, second,
7 I think. She's been designated as an expert by the defense.
8 If they are offering her as an expert in probate matters, I
9 plan to stipulate to that.

10 The second thing is, though, that she is one of
11 those unusual situations where she's an expert as well as she
12 knows some facts because she was specifically involved. So I
13 actually had that in a case that I presented. We had to
14 bifurcate the witness, or at least be sure that the jury
15 understood that her factual observations are separate and
16 apart from her expert opinions. So I just bring that to the
17 Court's attention. I would ask, however you feel is
18 appropriate to handle that, I would ask you to do that.

19 THE COURT: What's the defense response to that?

20 MR. AUSTIN: Judge, I think the way they have the
21 questions organized, I think it should be clear. I will try
22 to make sure to be clear to explain the basis for her
23 knowledge and opinion in each situation so that there isn't
24 any confusion.

25 THE COURT: Well, I think what we will do is, if you

1 lay it out that way, and I think if you are -- are you
2 planning to do the facts first and then the expert or the
3 opposite?

4 MR. AUSTIN: Judge, I am not getting into the facts
5 that much with her. She was not very much involved in the
6 case at all. So I really don't plan on touching on it a
7 whole lot.

8 THE COURT: Well, you know, it's like a lot of
9 things, it depends, you know, what you need. And to the
10 extent she just looks like an expert, that's one thing. And
11 I think the way to do it, Mr. Holliday, is if you want a
12 special instruction from the Court, ask me for it. Okay?
13 But let's see if we need it.

14 MR. HOLLIDAY: Okay.

15 THE COURT: Of course, I have a charge about expert
16 testimony and so forth, and that they've got to use their own
17 judgment, it's not binding on them and all that. But let's
18 just play it by ear. And if we -- if I feel like I need to
19 clarify that her facts are -- she's testified to her facts,
20 and an expert, that she's got two hats, and that they need to
21 be judged, you know, by the standards I will instruct.

22 I would rather not do it, only because, you know,
23 I'm kind of getting to things I'm going to charge. And they
24 haven't heard the charge yet. So I'm always real sensitive
25 about, you know, in an effort to clarify something, I

1 actually make it more confusing. So let's play it by ear and
2 let's see how it goes.

3 Ms. Perry, are our jurors here?

4 THE COURT DEPUTY: Yes, Your Honor.

5 THE COURT: Please bring in the jury.

6 (Whereupon, the jury returns to open court at 9:17
7 a.m.)

8 THE COURT: Please be seated. Good morning.
9 Welcome back to the court. I know no one minded a day off.
10 And this is hard work. And I appreciate your continuing
11 close attention.

12 Defense, call your next witness.

13 MR. DANIEL: The defense calls Nancy Drawdy. I just
14 saw -- I just was with her.

15 THE COURT DEPUTY: Please state your full name.

16 THE WITNESS: Nancy Mae Sutton Drawdy.

17 NANCY MAE SUTTON DRAWDY,
18 having been duly sworn, testifies as follows:

19 DIRECT EXAMINATION

20 BY MR. DANIEL:

21 Q. Ms. Drawdy, you may take your mask off.

22 A. Thank you.

23 Q. Be sure to get close to the speaker so that everyone
24 can hear you. Please give the jury an idea of your
25 background.

1 A. I have worked for the bank -- it will be 35 years
2 the 1st of the year.

3 Q. Where did you grow up?

4 A. I grew up in a little town called Cottageville.

5 Q. Is that in Hampton County?

6 A. No, sir, that's Colleton County.

7 Q. And what's your educational background?

8 A. I have done online courses in banking, high school
9 education. That's pretty much it.

10 Q. And how long have you worked at the bank, Palmetto
11 State Bank?

12 A. It will be -- I will be going on 36 years after the
13 1st of the year.

14 Q. And what role did you have when you were first hired
15 35 1/2 years ago, I guess?

16 A. I was hired into the loan department.

17 Q. Okay. And is that where you've been the past 35
18 years?

19 A. Yes, sir.

20 Q. And what are your duties and responsibilities in the
21 loan department?

22 A. I'm basically over operations of the in-house loans.
23 And there's -- I mean, I have several roles.

24 Q. Yeah. And so what happens when a loan officer makes
25 a loan? Could you track that through the loan process for

1 the jury, just briefly?

2 A. Okay. When a loan officer makes a loan, the loan is
3 approved and made and sent to the loan department where it is
4 booked and put on the system.

5 Q. And do you remember when Russell Laffitte first
6 began working at the bank? Had you been there awhile?

7 A. Yes, sir, I believe I had. I think Russell has
8 worked there 20-something years. I'm not sure.

9 Q. And have you worked closely with him over the years?

10 A. I have.

11 Q. And who do you directly report to?

12 A. I reported to Mr. Charlie for many years, and I
13 still do. But when Russell became COO and CEO, then I
14 started working very closely, and I was under his
15 supervision.

16 Q. And is Mr. Charlie -- has Mr. Charlie still been
17 active at the bank and coming to work every day?

18 A. Yes, he has.

19 Q. Describe your working relationship with Russell
20 Laffitte.

21 A. Mine and Russell's relationship is honest. Russell
22 is a very hard-working man. He's very dedicated. He's "dot
23 your I's, cross your T's" kind of guy.

24 Q. Did you have an opportunity in the years since he
25 first began working at the bank to observe him develop as a

1 banker?

2 A. Oh, I absolutely have. I've told him several times
3 that I am so proud of him that he's becoming more and more
4 like his father.

5 Q. What do you mean by that?

6 A. His work ethic, just driven. He's very driven, very
7 honest.

8 Q. Very what, I'm sorry?

9 A. Very honest, very driven, very honest.

10 Q. As a community banker, describe his relationship
11 with the Palmetto State Bank customers in the community?

12 A. Oh, his relationship with customers is very
13 professional and personable. If there was somebody who had a
14 flat tire in the parking lot, Russell would be willing to go
15 out and change that tire. Somebody breakdown at the
16 drive-through, he would be willing to push him out of the way
17 until they could get help. Russell is just a very
18 professional but personable type person. We are known as a
19 hometown community bank, neighbors helping neighbors. And
20 that is what the Laffittes are. I mean, they are good
21 people. They are our neighbors helping neighbors.

22 Q. And did you have occasion to have him help you?

23 A. Oh, I have, absolutely.

24 MS. LIMEHOUSE: Objection, Your Honor. I think this
25 is improper character evidence at this point.

1 THE COURT: Yeah, sustained.

2 MR. DANIEL: We will move on.

3 BY MR. DANIEL:

4 Q. Describe the impact of COVID on the bank and the
5 bank's reaction to COVID.

6 A. Well, with COVID, there had been a lot of customers
7 that couldn't make payments, that had gotten extensions on
8 loans. During the COVID time, the time of COVID, we had a
9 tornado that came through. And Russell and Mr. Charlie
10 both --

11 MS. LIMEHOUSE: Objection, Your Honor. Again, I
12 think we are getting into improper character --

13 THE COURT: I think we are getting into specific
14 instances. Sustained.

15 BY MR. DANIEL:

16 Q. What was the impact on the community when the
17 tornado hit?

18 A. It was devastating, very devastating.

19 Q. Please describe the loans not on system and how it
20 was created, that process, for the jury?

21 A. Yes. Loans not on system is a general ledger
22 account that was created by Russell that would -- it would be
23 an account to kind of clear money orders. So if a loan was
24 not booked right away for some reason, the money order was
25 not tied up or held, that it could be cleared in bookkeeping.

1 And when a loan was made, the customer -- if the funds were
2 disbursed to the customer, then loans not on system would be
3 debited. And when the loan was booked, loans not on system
4 would be credited. And the advance, the debit, would go
5 through to the loan. So it was a balance. It was a wash.
6 So you could have the tracking for the funds.

7 Q. You could have -- did you say tracking?

8 A. You could track the funds, yes.

9 Q. Okay. And when you have a cashier's check, which
10 used to be called a money order, but when you have that, are
11 there any -- is there any paper trail there? Does the bank
12 keep copies?

13 A. Of the money orders?

14 Q. Yes.

15 A. Yes, sir.

16 Q. How many copies, and what do you do with the copies?

17 A. Okay. So the money order has three sections. There
18 is the actual check that goes to the customer. There is a
19 white copy that -- there's two white copies. One is a
20 customer copy and one is a bank remittance that goes through
21 with the debit. So the original money order is the check
22 that goes to the customer. The second copy is the bank's
23 copy that is cleared, that would go through to loans not on
24 system. And then the other copy would be the customer copy.

25 Q. Okay. Is the LNOS or loans not on system process

1 regularly used?

2 A. Yes, sir.

3 Q. Okay.

4 A. It is.

5 Q. At times, how long could it take for a loan to show
6 up, say it's on LNOS, to actually show up in the system
7 itself?

8 A. Depends. Depends what's going on with the loan.
9 Could take a couple of days to a couple of weeks.

10 Q. Now, are you familiar with or have you had occasion
11 to work with state auditors and federal auditors and outside
12 auditing firms that audit the bank?

13 A. Yes, sir. I've worked with state and federal
14 examiners, as well as our internal auditors.

15 Q. Have they ever found out any major problems with the
16 bank or dealing with Alex Murdaugh?

17 A. Not to my knowledge, no. And those accounts have
18 been looked at because they are large accounts.

19 Q. In your observation of Russell, did he always work
20 in the best interest of the bank?

21 A. Yes, sir, absolutely, he did.

22 Q. Did he always work in good faith?

23 A. Yes, sir, he did, and to the best of interest of the
24 bank and the customers of the bank.

25 Q. And are you familiar with Alex Murdaugh?

1 A. I am familiar with Alex.

2 Q. And his role in the community?

3 A. Yes, sir.

4 Q. Okay. And describe his sort of loan history or, I
5 guess you would say, banking history with Palmetto State
6 Bank?

7 A. He has had loans. And he's been a customer of the
8 bank for quite some time. He's had large accounts. But, I
9 mean, we have several customers that have large accounts and
10 that have banked with us. So, I mean, his -- he has had
11 large accounts. He's paid those accounts with interest.
12 Sometimes -- or most of the time maybe, he would pay at the
13 end of the year when he would -- when the firm would get
14 their bonuses. But -- did I answer your question?

15 Q. Yes, ma'am. You did.

16 A. I'm sorry.

17 Q. Did Mr. Murdaugh's income, assets, and his track
18 record with the bank justify or support these loans that he
19 received?

20 MS. LIMEHOUSE: Objection, Your Honor. I don't
21 think she has specific --

22 THE COURT: You need to lay the foundation for her
23 to testify to that.

24 MR. DANIEL: Your Honor, I think she's in the loan
25 department.

1 THE COURT: She's processing. She's not doing the
2 applications and so forth. If she knows, she can testify.
3 But you've got to lay the foundation first. Sustained.

4 BY MR. DANIEL:

5 Q. Okay. Now, did the bank ever waive any late fees
6 for Mr. Murdaugh?

7 A. Yes, sir. The post-maturity late charges we waive
8 for probably 99 percent of our customers. The post-maturity
9 late charges is a larger fee. And those fees are pretty much
10 just to get the customer's attention to say you need to come
11 in, contact us, and take care of your account.

12 Q. And so when someone does have a loan go longer or
13 past maturity date, does someone from the bank contact them,
14 or how does that work?

15 A. We mail them a maturity notice. And that maturity
16 notice would have that post-maturity late fee on there.

17 Q. And did you meet with the FBI agents when they came
18 to see you at the bank and describe construction loans versus
19 letter of credit or an unused letter of credit?

20 A. The FBI?

21 Q. Yes, or SLED, either one.

22 A. Yes, sir, I met with both of them. And I came to
23 Charleston. They didn't come to the bank. I came to
24 Charleston.

25 Q. Okay. And did you explain to them the difference --

1 MS. LIMEHOUSE: Objection, Your Honor. He's
2 testifying for her.

3 THE COURT: I'm sorry. Say that again.

4 MS. LIMEHOUSE: He's testifying for her, Your Honor.

5 THE COURT: Yes, leading. Sustained.

6 BY MR. DANIEL:

7 Q. And what did you explain to them?

8 A. On --

9 Q. Specifically on the unsecured line of credit and the
10 construction loans.

11 A. Okay. An unsecured line of credit is a signature
12 loan. A line of credit is approved by the bank or by the
13 loan officer or the Board depending on the amount. And a
14 construction loan is the same. But a line of credit, being
15 revolving or nonrevolving, a customer can draw on that line
16 of credit at any time. A revolving line of credit, they can
17 draw on that line of credit and pay back and then draw again.
18 A nonrevolving, then they just draw. And if they pay down,
19 they don't draw over the initial amount.

20 A construction loan, on the other hand, is a loan
21 that is made for construction of a home or a business. And
22 the construction loan advances have to be approved because of
23 inspections, to make sure that the work is being done.

24 Q. And describe Mr. Laffitte's last day at the office
25 at the bank.

1 A. I don't know that I was there on his actual last day
2 at the bank, but I can tell you that when Russell left --

3 MS. LIMEHOUSE: Objection, Your Honor. She was not
4 there.

5 THE COURT: She testified she wasn't there. I
6 sustain that objection. Are you finished?

7 MR. DANIEL: Yes, Your Honor.

8 THE COURT: Very good. Cross-examination.

9 CROSS-EXAMINATION

10 BY MS. LIMEHOUSE:

11 Q. Ms. Drawdy, good to see you again.

12 A. Good to see you, Emily.

13 Q. So you are a supervisor over consumer loan
14 administration. Is that an accurate representation of your
15 position within the bank?

16 A. Yes, ma'am.

17 Q. And so you testified that you directly report to
18 both Mr. Charlie, while he was CEO, and then Russell when he
19 became CEO; is that right?

20 A. Yes, ma'am.

21 Q. So Russell is also a loan officer; is that right?

22 A. Yes, ma'am.

23 Q. And so when you were working for a loan officer in
24 processing loan paperwork, you take your direction directly
25 from the loan officer; is that right?

1 A. Well, for what I do, but now, the loan processors or
2 the girls that print the loans out for him if he's given
3 instructions, that's not me.

4 Q. So, for example, the business purpose statement,
5 that would be on a loan or a line of credit, that information
6 would come from the loan officer, right; not the people in
7 the processing department?

8 A. Correct.

9 Q. So the people in the processing department and who
10 have your position are just taking their direction about that
11 paperwork from the loan officer; is that right?

12 A. Correct.

13 Q. Okay. I'm going to show -- you mentioned a line of
14 credit that we discussed last time we spoke, \$500,000 line of
15 credit. I'm going to talk to you about Government's Exhibit
16 98.

17 MS. LIMEHOUSE: If you will please pull it up, Ms.
18 Welsh. And if you could put it side-by-side, actually, with
19 3 and 5 of Exhibit 98.

20 BY MS. LIMEHOUSE:

21 Q. Do you recognize this document, Ms. Drawdy?

22 A. I do.

23 Q. So is this sort of like a screen grab from the
24 bank's internal systems; is that right?

25 A. Yes, ma'am.

1 Q. So it shows everything that is happening with a loan
2 or a line of credit; is that right?

3 A. Yes, ma'am. It's a history of transactions.

4 Q. Okay. And so the document on the left has certain
5 dates on the left-hand side; is that right?

6 A. Yes, ma'am.

7 Q. And then the document on the right also has certain
8 dates on the right-hand side; is that right?

9 A. Yes, ma'am.

10 Q. And so these dates on the right-hand side and the
11 actions taken by a person on the bank on the right-hand side
12 would correspond with the description of those actions on the
13 left-hand side; is that right?

14 A. Ask me that again.

15 Q. Sure. So the type of action taken on a loan, on the
16 right-hand side, would correspond with the description of
17 that action on the left-hand side; is that right?

18 A. Well, let me see. Your description on -- all right.
19 You have 2020 on the left side. And you have 2022 on the
20 right side.

21 Q. Sure.

22 A. 2020, the PSB205410 at the bottom of the page, that
23 is advances and that kind of thing. Now, on the right-hand
24 side, that document is showing, like, an audit review, like
25 if there was a memo post or if the account was changed or

1 something like that. Those are two different documents.

2 Q. So if a memo -- new memo post on a loan, is that how
3 an advance would be documented within this document?

4 A. Well, if there was principal advance -- is that what
5 you are asking?

6 Q. Yes. Yes. Go ahead.

7 A. If there's a principal advance on that loan, then,
8 yes, you can go out there and do a memo post. If there is a
9 payment, like you can see on the left side, March 31st, 2020,
10 principal payment for \$104,056.51, you can memo post that as
11 well. If this is a credit loan and it's a revolving line of
12 credit, you could go on there -- the memo post just basically
13 says that customer paid on that account or that customer
14 withdrew funds. Which with us having multiple branches, if
15 that customer came to our bank and got a draw on their line
16 of credit loan for \$100,000, then memo posting it makes
17 perfect sense, because you wouldn't want that customer to go
18 to another bank and get that same money. So it basically
19 says, okay, this customer came in and got that money. So
20 that money is not available, is what the memo post would be.

21 Q. So this description on the right-hand side that I'm
22 circling the names, would that indicate who was making that
23 action that you are describing --

24 A. Yes.

25 Q. -- on that line of credit? So when your name is

1 here, are you the one actually deciding whether to make that
2 action, or are you taking your direction from the loan
3 officer?

4 A. Well, it depends on what it is.

5 Q. If an advance is made, for example, on a line of
6 credit --

7 A. Okay. If an advance is made on a line of credit
8 that is not a construction loan, then anybody in the loan
9 department can do that advance.

10 Q. If a --

11 A. If that loan is approved.

12 Q. How about a revolving line of credit?

13 A. Revolving line of credit works the same way. If
14 it's a signature loan, anybody can make that draw and deposit
15 them into the customer's checking account or cut a money
16 order to someone they may be paying for some reason.

17 Q. So the name of the person on the right-hand side
18 would be the person who took that action on that loan; is
19 that right?

20 A. Would be the name of the person who did the change
21 or -- see, what you are looking at on the right-hand side,
22 Emily, is a change to an account, a memo post. I mean, that
23 can be many different things. A change to an account can be
24 an address change. A change to an account could be -- it
25 could be many things.

1 Q. Right. So let's talk about a couple of the
2 specifics that are outlined here. I'm going to circle for
3 you July 27th of 2020. And then at the bottom, I'm going to
4 circle for you July 27th of 2020. And it indicates on the
5 right-hand side that a new memo post occurred -- two new memo
6 posts occurred on July 27th; is that right?

7 A. On July 27th? Yes, there were two memo posts.

8 Q. So on the left-hand side, if we look at the
9 corresponding date, that indicates that there was a transfer
10 to the farm to cover overdraft of \$10,000; is that right?

11 A. That's what I see, yes, ma'am.

12 Q. And then below that it says there's a transfer to
13 Alex's DDA to cover overdraft; is that right?

14 A. That's what it says, yes.

15 Q. And then it indicates that that action was taken by
16 Russell Laffitte; is that right?

17 A. That's what it says, yes, ma'am.

18 Q. This \$500,000 revolving line of credit that you
19 initially spoke to Mr. Daniel about turned into this, excuse
20 me, million-dollar revolving line of credit; is that right?

21 A. I don't see that on here.

22 Q. You handle lots of loans in the loan department,
23 right?

24 A. I do.

25 Q. And you don't have much memory of exactly what

1 happened with every single line of credit --

2 A. I don't. I don't. But a line of credit, an advance
3 on a line of credit for the funds to be deposited into a
4 checking account is not unusual.

5 Q. Right. Right. So are you aware that this
6 million-dollar line of credit was completely charged off in
7 December of 2021?

8 A. Yes, I do believe I probably charged it off. I
9 charge off most of the loans.

10 Q. Okay. And so you, in your role at the bank, you
11 don't serve on the Board; is that right?

12 A. No, ma'am, I do not.

13 Q. And you are not a shareholder; is that right?

14 A. I'm a shareholder --

15 Q. Of the bank? You don't own any shares with the
16 bank; is that right?

17 A. As far as in my 401K?

18 Q. I mean like Board members.

19 A. No, ma'am.

20 Q. You are not really familiar with any of the facts
21 that led to Russell's termination from the bank, because you
22 haven't seen the results of any internal investigation; is
23 that right?

24 A. I have not.

25 MS. LIMEHOUSE: No further questions, Your Honor.

1 THE COURT: Thank you. Anything on redirect?

2 REDIRECT EXAMINATION

3 BY MR. DANIEL:

4 Q. When the customer begins a drawdown on a line of
5 credit, has that loan already been closed?

6 A. When a customer does a drawdown?

7 Q. Yes. How does a customer get a line of credit?
8 Have they already applied for the line of credit and gotten a
9 loan approved?

10 A. Yes, sir.

11 Q. So when Ms. Limehouse talks about advances drawn
12 down, if it's "drawing down" or an advance on a line of
13 credit, it's really not an advance because the loan has been
14 made? It's just drawing down the line of credit; is that
15 right?

16 A. They are both basically, I guess you could say, one
17 and the same. It's an advance on the loan, but you are
18 drawing on that line of credit.

19 MR. DANIEL: Okay. Thank you, ma'am. No further
20 questions, Your Honor.

21 THE COURT: Thank you. Any reason the witness
22 cannot be excused?

23 MS. LIMEHOUSE: Fine with the Government

24 THE COURT: Very good. You may be excused. Thank
25 you, ma'am.

1 THE WITNESS: Do I need to hang around?

2 THE COURT: No, you are free to go. You probably
3 won't be disappointed with that.

4 THE COURT: Government (sic), call your next
5 witness.

6 MR. AUSTIN: Defense calls Nancy Drawdy.

7 THE COURT: No, you just called her.

8 MR. AUSTIN: Tiffany Provence, Your Honor.

9 THE COURT: I just told the witness she could leave.
10 You know?

11 MR. AUSTIN: I got thrown by "the Government's
12 witness."

13 THE COURT DEPUTY: Please state your full name.

14 THE WITNESS: Tiffany Provence.

15 TIFFANY PROVENCE,

16 having been duly sworn, testifies as follows:

17 DIRECT EXAMINATION

18

BY MR. AUSTIN:

19

20 Q. Good morning, Ms. Provence. If you want to take
21 your mask off, you are welcome to.

22 A. Thank you.

23 Q. All right. Ms. Provence, the Government has already
24 stipulated to you testifying as an expert witness, but could
25 you still, please, just give a brief rundown of your

1 experience in probate law.

2 A. Sure. I was a probate judge in Dorchester County,
3 South Carolina, for a little over a decade. And then since
4 that time, which has been approximately 14 years, I've been
5 primarily practicing in the areas of probate litigation,
6 probate mediation, and serving as a court-appointed
7 fiduciary, conservator, special administrator, and PR for the
8 probate courts in South Carolina.

9 Q. And you said you've been practicing. I don't think
10 we covered, you are an attorney as well?

11 A. I am, yes.

12 Q. And so in your practice, do you have occasion to
13 practice within Hampton County?

14 A. I have.

15 Q. And that's -- if we are referring to your practice,
16 you primarily practice in the area of probate law; is that
17 right?

18 A. Correct.

19 Q. And do you practice in other parts of the state?

20 A. I do. I've practiced in -- at one point, I counted,
21 I think it was, 32 of the 46 county probate courts,
22 county-wide in the state.

23 Q. Okay. And have you previously been qualified as an
24 expert in the area of probate law?

25 A. I have been.

1 Q. So I think you mentioned practicing -- was it 32 of
2 the 46 counties?

3 A. Yes.

4 Q. How does probate law work --

5 THE COURT: First of all, I think we need to
6 designate -- are you moving to have her --

7 MR. AUSTIN: I'm sorry. I thought we already -- we
8 move to designate Ms. Provence as an expert in the area of
9 probate law.

10 THE COURT: The Government does not object? In what
11 area?

12 MR. AUSTIN: Probate law.

13 THE COURT: Is there objection by the Government?

14 MS. LIMEHOUSE: As I indicated before, we have no
15 objection to that.

16 THE COURT: Very good. The witness is recognized as
17 an expert in probate law. Please continue.

18 BY MR. AUSTIN:

19 Q. Is there any standard practice when it comes to
20 probate law in South Carolina, or are there differences
21 between the counties?

22 A. There are vast differences between the counties.

23 Q. Okay. And how would you explain that to the jury?

24 A. Well, in South Carolina, our probate judges are
25 elected. They are elected officials. And so, first of all,

1 we have non-attorney probate judges. So they don't have to
2 be lawyers. And then based on the county and, of course, the
3 larger the county, the better pay, is also going to greatly
4 change often the level of qualifications. As well as within
5 a county structure, the larger the county, the larger the
6 budget, the larger the office. So, for example, if I'm
7 practicing here in Charleston County, I mean, I believe
8 there's 12 to 14 clerks at any time, four judges, as opposed
9 to a smaller county, I think the smallest county I practice
10 in would be Allendale, where there's a judge and one clerk.

11 Q. Okay. And what about Hampton County?

12 A. I believe Hampton County, the last time I practiced
13 there, was also a judge and one clerk.

14 Q. Okay. And have you -- has a significant part of
15 your practice been in Hampton County?

16 A. I wouldn't say significant, no. I probably had
17 maybe 15 cases there throughout my career.

18 Q. Okay. And we've heard a lot about conservatorships
19 and personal representatives from witnesses. But you are an
20 expert. Can you just break down for the jury what's the
21 difference between a conservator and a PR?

22 A. Sure. So the easiest way to separate the two is, a
23 personal representative acts over the estate of someone who's
24 passed away. So to have a personal representative -- and a
25 lot of times people also call these executors or

1 administrators, but they are serving as a fiduciary or in the
2 best interest of the estate of the person who has passed
3 away.

4 A conservatorship is different, because a
5 conservatorship the person is serving and managing the assets
6 of someone who is alive. And the reason that we would have
7 conservators is usually the person is a minor or the person
8 might have a disability, often, that is, you know, dementia
9 or Alzheimer's as we age, or it could be a brain injury or
10 other reasons that we can't manage our own assets and,
11 therefore, the court appoints someone to manage our assets
12 for us.

13 Q. Okay. And when it comes to conservators, what's the
14 difference between a neutral and an interested conservator?

15 A. So, an interested conservator is someone that's
16 related to the person that they are serving. So if I were
17 serving for my spouse, I would be an interested conservator,
18 or my child or my parent, I would be an interested
19 conservator. A neutral conservator is someone like myself
20 that will often be appointed by the court to serve for
21 someone that they are not related to and don't otherwise
22 know.

23 Q. Why would you need to bring somebody in that's not
24 related to or doesn't otherwise know the fiduciary?

25 A. Oh, there's tons of reasons. Some good examples

1 might be that the person doesn't have any qualified family.
2 Maybe they don't have any family at all. Maybe their family
3 members aren't suitable to manage the finances, for whatever
4 reason. To be appointed as a conservator, you have to
5 have -- in most courts, you have to pass a screening to show
6 that you haven't had, for example, check fraud or declared
7 bankruptcy in the past. You have to show that you are
8 qualified to manage someone else's assets. So they might not
9 have anyone in their family that's qualified.

10 There may be a conflict between people who are
11 qualified. So, for example, let's say you have three
12 children, and I know we like to think our children all get
13 along, but sometimes the Court will say, the three of you
14 can't get along on who's going to manage mom or dad's assets,
15 so we are going to appoint a neutral to do that to make sure
16 that one party isn't playing favorites or taking advantage,
17 or whatever the case may be. I could probably come up with
18 20 examples. But it's not uncommon that we have to resort to
19 a neutral conservator or a neutral personal representative
20 when, you know, there's just not an appropriate person to
21 serve.

22 Q. Okay. And how are conservators and PRs paid?

23 A. Although they often get confused, they are paid very
24 differently. So personal representatives are paid by statute
25 with, generally the rule is 5 percent -- and I don't want to

1 get bogged down -- but of the probate assets, not including
2 real estate, unless the real estate is sold. So they are
3 paid by a percentage of the estate that they are managing.

4 That's a lot different than the way that
5 conservators are paid, which is at the discretion of the
6 court based on a reasonableness standard. So conservators
7 are paid a fee based on what the Court determines to be
8 reasonable. And what's reasonable in one county or one
9 situation might be considered not reasonable in another.

10 Q. Okay. And you mentioned 5 percent with regard to
11 the personal representatives fees. Is that a statutory
12 maximum amount that a PR can be made?

13 A. It's not a maximum. As a matter of fact, that
14 statute reads that the court can, for extraordinary services,
15 increase that amount. But absent that request, then that's
16 the standard fee that's granted.

17 Q. Okay. And would a 5 percent conservator fee be
18 unusually high?

19 A. I really think conservator fees are all over the
20 Board. And we talk about differences in counties. There's
21 also differences based on the level of the person who's
22 serving. So a lot of conservators in larger cities, we have
23 some nonprofits that work as conservators, and they might do
24 sliding scales. But I've seen fees higher than 5 percent.
25 I've seen fees lower than 5 percent. So I wouldn't find 5

1 percent to be, you know, shocking. But it's just a lot of
2 variation based on the county, the judge, the person serving,
3 and what's being done.

4 Q. So, ultimately, with regard to conservators, it's up
5 to the judge?

6 A. Uh-huh.

7 Q. And is it fair to say that a conservator cannot set
8 their own fee?

9 A. Correct.

10 Q. Okay. And does that have to be documented with an
11 order from the court?

12 A. Well, I want to backstep for one second, because a
13 conservator could set their own fee by saying, I will agree
14 to serve as conservator if you agree to pay me this fee. And
15 if the judge understands that and appoints them, then they've
16 technically set their own fee. Does that make sense?

17 Q. Sure.

18 A. So now that I backstepped on that, can you repeat
19 your question for me?

20 Q. Do conservators set their own fees?

21 A. Yes. So that would be really the only situation.
22 And the judge is still responsible for reviewing it for
23 reasonableness.

24 Q. And can someone serve as a conservator or PR without
25 actually meeting the beneficiaries?

1 A. Yes.

2 Q. And is that unusual?

3 A. I wouldn't classify it as unusual. I mean, I
4 wouldn't say it happens all of the time, but I certainly have
5 significant cases in my history where I've represented
6 parties as a court-appointed fiduciary, and I have not had
7 the opportunity to meet them.

8 Q. Okay. And what are some examples of situations
9 where that would be typical?

10 A. Well, I try really hard to separate PR from
11 conservatives. So, like, in an estate, I might be serving as
12 a neutral because someone passed away here and all of their
13 family lives in another country. So I wouldn't have the
14 opportunity to actually meet the people that I'm serving.
15 I've also served on behalf of people who were incarcerated
16 that I didn't have the opportunity to meet. I've had
17 people -- served people who just lived far, you know,
18 distances away, that there really wasn't any need to meet
19 them.

20 When you are managing someone's assets, it's not,
21 you know, always necessary that you have a one-on-one
22 personal relationship.

23 Similar with conservator, I've managed assets for
24 people who have severe brain injuries. So there would not be
25 a reason for me to be interacting with that person, because

1 they are unable to communicate with me or assist me in that
2 way. Often, when you are serving as a conservator for a
3 minor child, you are really not meeting with and interacting
4 with that minor child. So there are a host of reasons, but I
5 definitely have files where I have not had personal
6 interactions.

7 Q. Okay. And you talked about managing assets. What's
8 expected of a conservator or PR when it comes to managing
9 assets?

10 A. Well, the fundamental thing is to -- again, they are
11 different.

12 Q. Let's start with whichever one you want.

13 A. So I think with a PR, their responsibility is to
14 first -- so think about when someone passes, most of us have
15 dealt with that context. Their first responsibility is to
16 gather the assets. And then their responsibility is to
17 collect and preserve the assets until the estate is ready to
18 be closed. And then their responsibility is to disburse the
19 assets to whomever is the beneficiary of the estate or the
20 beneficiaries of the estate.

21 It's a little bit different, I would say, in a
22 conservatorship, because your responsibilities there often
23 can be really different whether you are representing, let's
24 say, a minor child versus an incapacitated adult. So, like,
25 a minor child, your responsibility -- the word conservator

1 stems from the word "conserve." So your responsibility is to
2 conserve the assets for their benefit as they age when they
3 turn 18. Little bit different when you are doing that for an
4 adult, as they are ending life, because you may be doing
5 different strategies, like gifting or working within their
6 estate plan to minimize taxes. So in that situation, you
7 might be doing different things than you would for a minor.
8 But I think the fundamental rule that we try to live by is
9 your responsibility is to, you know, protect the assets and
10 to maintain them for the people who are entitled to them at
11 whatever stage or age they are entitled to receive them.

12 Q. Okay. So is there any expectation that the
13 conservator or PR grow the funds that they are entrusted
14 with?

15 A. So in a PR situation, there really isn't an
16 expectation that they be -- that they grow.

17 In a conservatorship, specifically for a minor, for
18 example, if you are receiving funds for a child, then there
19 might be an expectation that you get some form of interest or
20 invest the funds or do something so that the funds are, you
21 know, building during the time period where you are sitting
22 to wait for them to come up to the age of majority.
23 Otherwise, you might just be placing those funds into an
24 account, you know, when someone is three or four years old.
25 And then for 14 years, they are losing the ability to earn

1 interest.

2 Q. So you touched on this a little bit. Under South
3 Carolina law, is it allowable for a conservator to loan money
4 from the accounts that they are entrusted with?

5 A. It is.

6 Q. And where is that allowed under the South Carolina
7 probate code?

8 A. Do you want me to cite the section, because that's
9 dangerous.

10 MR. AUSTIN: Pull up Defendant's Exhibit 1, already
11 in evidence.

12 BY MR. AUSTIN:

13 Q. Are you familiar with this statute?

14 A. I am, yes.

15 Q. And is this what you were talking about when you
16 said statute allows for investments?

17 A. Correct.

18 Q. All right. So let's start at the beginning here.

19 You see the date here, it's effective 2019?

20 A. Uh-huh.

21 Q. Are you familiar with this statute as it existed
22 prior to January 2019?

23 A. I am.

24 Q. And how does it -- is it similar or is it different?
25 How would you compare the two?

1 A. There haven't been significant changes over time.
2 In 2019, we had a major --

3 MR. HOLLIDAY: Your Honor, I hate to interrupt. But
4 rather than relying on the witness to remember what was in
5 the previous statute, I think it would be more helpful if we
6 actually had the previous statute in front of us. This,
7 obviously, is an irrelevant statute for the purposes of this
8 case, this version of the statute. So I would say the
9 objection is best evidence.

10 THE COURT: Well, I think the question is, does the
11 witness know. She's an expert. If she knows the prior
12 statute and can explain it, fine. You -- on cross, you can
13 point it out if you would like to. So overruled.

14 A. So in 2019, this entire section of the code had
15 significant revisions. But this within itself, I actually
16 believe it was renumbered. But for the most part, the powers
17 of a conservator had been consistent since when I started
18 practicing in this area, which would have been '98. There
19 haven't been -- there's been some rewording, but there
20 haven't been significant change to the powers themselves.

21 Q. Okay. So going to subparagraph or the first
22 paragraph (a) here. So starting with paragraph (a), where it
23 says: Except as otherwise qualified or limited by court
24 order, is that section similar to the previous version of the
25 statute, or I guess is the entire paragraph similar to the

1 previous statute?

2 A. I believe so.

3 Q. And can you explain what this is, just what this
4 first paragraph is saying?

5 A. Sure. So when you are appointed as a conservator,
6 the judge has an opportunity to limit these powers. And you
7 would find those limitations on your appointment, like, it
8 might say -- you know, for example, I served as a limited
9 conservator with someone who had the ability to contribute
10 towards the ideas, but wasn't fully able to participate. And
11 so the judge in that one said, you know, the limitation was,
12 cannot use the powers without first seeking the advice and
13 consent of the ward as necessary. You know, so the court has
14 the ability, when they are appointing someone, to limit these
15 powers if the judge sees fit or if another party asks that
16 they be limited. So that's what a qualification or a
17 limitation by court order would mean.

18 Also, down the road, if something were to occur that
19 someone disagreed with, they could ask the court, from there
20 forward, limit the conservator's powers.

21 Q. Paragraph 1 here says, invest and reinvest funds in
22 the estate as would a trustee.

23 A. Uh-huh.

24 Q. Is that what you are talking about when you
25 referenced putting funds into an account somewhere and

1 earning interest or investing otherwise?

2 A. Correct.

3 Q. Okay. And so there's unusual about investing the
4 funds of a conservatee or the beneficiary?

5 MR. HOLLIDAY: Objection.

6 THE COURT: What is it?

7 MR. HOLLIDAY: He's testifying, Your Honor.

8 THE COURT: He is testifying. Sustained.

9 BY MR. AUSTIN:

10 Q. Is there anything inappropriate about investing
11 funds?

12 A. No.

13 MR. AUSTIN: Zoom out, please, and go to the second
14 page and zoom in on 11.

15 BY MR. AUSTIN:

16 Q. And are you familiar with this section of the
17 statute?

18 A. I am.

19 Q. And like the other one, is it similar to the
20 previous version of the statute?

21 A. I believe it is, uh-huh.

22 Q. And can you explain what this allows for?

23 A. Well, it allows for multiple things, but the
24 highlighted portion is for the conservator to borrow money to
25 be repaid from the estate assets or otherwise.

1 Q. All right. Again, so is it unusual for a
2 conservator or PR to borrow funds? I guess as a conservator,
3 is it unusual for a conservator to borrow funds?

4 A. It's not unusual.

5 Q. If we can zoom out, please. Is that best practice
6 for a conservator?

7 A. Well, again, we have to think about who the
8 conservator is. Right? So in certain courts, I would say if
9 the conservator is borrowing money for their personal use and
10 that could be considered a conflict of interest that the
11 Court would want to review, and in other situations you might
12 be -- you know, a conservator can be a parent borrowing money
13 from their child to make improvements to their own home for
14 that child's disabilities. Right? Like, there's all sorts
15 of situations that you can come up with, a full spectrum of
16 borrowing money. So borrowing money is not unusual. It's
17 just -- really kind of goes back to the initial comment,
18 which is, you know, the duty to the ward, why the money is
19 being borrowed, and if it is in their best interest, if it's
20 earning them interest. If you were borrowing money without
21 paying any interest or borrowing money for -- you know, like
22 a parent borrowing money to purchase a brand-new car and not
23 giving their child any interest, then, you know, the court
24 might have a problem with that. But, in general, borrowing
25 money from the assets of your ward is not unusual. It

1 happens often.

2 Q. What's required of a conservator to be filed with
3 probate court when they take loans or make investments?

4 A. Well, under the statute, nothing, because it doesn't
5 require court approval. Depending on the county that you are
6 serving in, again, if the judge considered it to be a
7 transaction that fell under a conflict of interest statute,
8 that would be up to that judge as to whether or not you had
9 to file that request. So it's unique to each court as to
10 whether or not you even got to notify the Court that you are
11 borrowing money.

12 Q. Okay. And how do loans or investments, the ones we
13 are talking about here, compare to expenditures under the
14 probate code?

15 A. Well, so they are completely different. An
16 expenditure is when you are spending money for the benefit of
17 the person who you are serving, right, something that you
18 don't intend to get back. Just like when we have an expense,
19 you know, if I spend my money, then I am not expecting to get
20 it back. If I invest my money -- although sometimes we don't
21 get that back either. But if I invest my money, you know,
22 the expectation is that I'm putting it there to save it and
23 to grow it and to increase it. But in general, an
24 expenditure would be a request to the court that I would like
25 to buy this for my ward, or I need money for attorneys' fees

1 for my ward. The list of expenditures is exhaustive,
2 completely different than investing. Just as it is in our
3 own budget. I mean, you have your money that you are saving
4 and investing, and your money that you are expending for your
5 needs.

6 Q. Before we talk about some of the specific
7 conservatorships and PRs in this case, have you been involved
8 personally with any of the clients, the personal injury
9 clients of Alex Murdaugh that are involved in this
10 indictment?

11 A. I have been.

12 Q. Okay. And do you recall which ones?

13 A. The primary one I recall was the estate of Donna
14 Badger.

15 MR. HOLLIDAY: Your Honor, I know we are making that
16 transition now. I don't know if the Court feels it's
17 appropriate to give an instruction.

18 THE COURT: Ladies and gentlemen, the witness has
19 been recognized as an expert. And when I charge you, we will
20 talk about the testimony of an expert. She's now going to
21 offer some factual information. And that will be held by
22 another standard. And I will talk to you about that in the
23 close. But just important to note now is that she's moving
24 from talking as an expert to talking in terms of her personal
25 knowledge. Please proceed.

1 BY MR. AUSTIN:

2 Q. So you said you were involved in the Badger case?

3 A. Correct.

4 Q. Okay. Do you recall any others?

5 A. I believe we did paperwork in the file that led to
6 the Plyler case --

7 Q. Okay.

8 A. -- as well.

9 Q. Okay. And do you remember any others?

10 A. Not off the top of my head.

11 Q. If, while we are covering any of them, if you could
12 for the jury's benefit let them know if you are talking from
13 personal experience or just generically as a probate expert.
14 I'm going to try my best not to use specific questions, but
15 just in case we bleed over.

16 A. Okay.

17 MR. AUSTIN: Starting with the Plylers, can we
18 please pull up Government's Exhibit 137.

19 BY MR. AUSTIN:

20 Q. All right. Do you recognize this form?

21 A. The form? Yeah, absolutely.

22 Q. Okay. What is this form?

23 A. So, this is the statutory court form for seeking the
24 appointment of a conservator.

25 Q. All right. And who would be responsible for filing

1 this document in probate court?

2 A. Any interested party who felt that there was a need
3 for a conservator.

4 Q. Okay. And who typically handles that if an attorney
5 is involved?

6 A. Generally, in a situation where a settlement is
7 being received, then the attorney who -- an attorney is not
8 allowed to turn over settlement proceeds to a minor if they
9 exceed a certain amount. And, therefore, that attorney, when
10 recognizing that they are going to be in receipt of funds,
11 would be responsible for making sure that a conservator was
12 appointed. Some attorneys might look at the, you know, the
13 family or the client and say, you need to go get a
14 conservator appointed. But the majority of the time, that
15 attorney that's going to be in receipt of those funds would
16 be the one seeking to have a conservator appointed.

17 Q. And during your experience working with PMPED, were
18 you familiar with their practices in filing these types of
19 forms?

20 A. I was.

21 Q. Can we go to page 2 please. And explain what's
22 going on here in the paragraph 7 and 8.

23 A. Sure. So paragraph 7 is simply explaining to the
24 court why you need a conservator. This one states that the
25 natural parent and guardian has a conflict of interest and,

1 therefore, is not able to serve as conservator. And No. 8 is
2 telling the Court because of that fact, who you are seeking
3 to have appointed instead of the natural parent or guardian.

4 Q. Okay. Since this is a petition, it says here, I
5 request the appointment of. Who is making that request? Is
6 it Russell Laffitte or is it somebody else?

7 A. Well, on this form, it looks like it's Russell
8 Laffitte. But it really should be the person making the
9 request of the appointment, the petitioner.

10 MR. AUSTIN: Okay. Zoom out, please. Could we go
11 to the next page.

12 BY MR. AUSTIN:

13 Q. All right. So the very top here, can you describe
14 for the jury, please, what's going on in this paragraph?

15 A. Sure. That's the signature of the person, you know,
16 petitioning the Court requesting that they set a time and
17 place for the hearing and determining that the party that
18 they've nominated is an appropriate party to serve.

19 Q. And that the person nominated is Russell Laffitte?

20 A. Correct.

21 Q. But then it's signed by Russell Laffitte as well?

22 A. Correct.

23 Q. Is that incorrect?

24 A. It is.

25 Q. Can you explain? Well, let me ask you this way. Is

1 this something that comes up in your experience with these
2 types of forms?

3 A. Yes.

4 MR. AUSTIN: And zoom out, please. Can we zoom in
5 on the verification portion.

6 BY MR. AUSTIN:

7 Q. And can you explain this section as well, please?

8 A. This is where the petitioner is verifying that
9 everything stated on the form is true to the best of their
10 knowledge.

11 Q. And once again, we have Russell Laffitte signing
12 this. Is that the appropriate place for him to sign?

13 A. No, not in my opinion.

14 Q. Okay. And can you explain why?

15 A. Well, when you are a neutral, an uninterested party,
16 you don't have the knowledge or information to complete that
17 verification, because that is not -- you are not related to
18 that person. So you don't have that knowledge. So I
19 personally don't sign verifications, because I am not
20 verifying something that I am not aware of. And that would
21 generally be the responsibility of the petitioner or the
22 person seeking the appointment.

23 Q. Okay. So should a third-party who is uninvolved in
24 a probate matter --

25 MR. HOLLIDAY: Your Honor, objection. He's

1 testifying.

2 MR. AUSTIN: I'm asking a question.

3 MR. HOLLIDAY: She already said it's improper.

4 THE COURT: Sustained. Don't testify. Ask the
5 question.

6 BY MR. AUSTIN:

7 Q. Could a third-party petition to be appointed without
8 already being involved, being related, or could a neutral
9 third-party --

10 MR. HOLLIDAY: Your Honor, objection.

11 THE COURT: It's your witness. Leading. Sustained.

12 MR. AUSTIN: If we can zoom out. Can we zoom on the
13 qualifications and statement of acceptance.

14 BY MR. AUSTIN:

15 Q. All right. Can you explain this section, please.

16 A. Sure. That's where the person that's being
17 nominated is telling the Court that they do, in fact, agree
18 to serve in that role and to perform the duties as ordered by
19 the court.

20 Q. Okay. So would this be the appropriate place for
21 Russell Laffitte to sign?

22 A. Absolutely.

23 MR. AUSTIN: Can we zoom out.

24 BY MR. AUSTIN:

25 Q. And with these three signatures here, is this

1 something that you encountered before in other cases?

2 A. It is, repeatedly.

3 Q. And can you explain that, please?

4 A. A lot of attorneys that find themselves needing to
5 have a conservator appointed are not familiar with probate
6 law. And they don't understand the difference or how the
7 form should work. But, technically, an uninterested party
8 shouldn't be the petitioner, because I have no standing or
9 interest in that case. So I shouldn't be asking the court to
10 appoint me, because -- unless it was my child or my own
11 relative, but I shouldn't be the one petitioning the court to
12 appoint me, because would have an independent interest. So
13 that petition and that verification should really be
14 completed by either a family member or the attorney seeking
15 the appointment. And the party getting appointed should
16 really just be signing the qualification and statement of
17 acceptance.

18 Q. Have you seen this particular petition before?

19 A. I believe I have.

20 Q. And what was your interpretation of the fact that
21 this form had three different signatures of Russell on this
22 page?

23 MR. HOLLIDAY: Your Honor, now it's a little
24 ambiguous. Right?

25 THE COURT: Yeah. I think at this point she would

1 be testifying personally, not as an expert, if you are asking
2 about this specific document.

3 BY MR. AUSTIN:

4 Q. What is your personal interpretation of that?

5 A. That the form was done incorrectly and presented to
6 Russell, so he signed all of the blanks.

7 Q. And is that common with these types of forms for
8 attorneys to make that mistake?

9 A. It is.

10 Q. Let's go to Government's Exhibit 140, please. Okay.
11 Do you recognize this form?

12 A. I do.

13 Q. And I'm just focusing now on your opinion as an
14 expert. What are petitions for --

15 MR. HOLLIDAY: Your Honor, we were done with the
16 expert part and now we are on the factual part.

17 THE COURT: I think the confusing thing here is you
18 are now going to very specific documents in which she has a
19 role. And it wouldn't be appropriate to be talking as an
20 expert about that. I think she should -- I don't want to
21 confuse the jury.

22 MR. AUSTIN: Sure.

23 THE COURT: She should testify to things off her
24 personal knowledge. Clearly, that's what she's basing it on.

25 MR. AUSTIN: Okay.

1 BY MR. AUSTIN:

2 Q. So based on your personal knowledge, what are
3 petitions for expenditures like this used for?

4 A. When you are notifying the court and/or seeking
5 their approval to spend money on the ward, the person that
6 you are serving.

7 Q. Okay. And does this fall within the investment or
8 loan category from the powers of the conservator you
9 mentioned earlier?

10 A. It does not.

11 Q. This would be more of an expense, expenditures?

12 A. Correct, uh-huh.

13 Q. Okay. If we could please pull up Government's
14 Exhibit 110. Did you do any work on the Natasha Thomas case?

15 A. I don't recall doing any work on that case.

16 Q. Okay. And what is this form?

17 MR. HOLLIDAY: Your Honor, wait. Wait. I'm sorry
18 to interrupt Ms. Provence, actually. But she said she didn't
19 do any work on it. She's in the fact witness portion of her
20 testimony.

21 MR. AUSTIN: I'm just asking if she recognizes the
22 form in general.

23 MR. HOLLIDAY: Well, that would be inappropriate
24 back before.

25 THE COURT: I don't want to tie us up in knots. Let

1 her testify to this, but we are going to keep our on eye on
2 this.

3 MR. HOLLIDAY: Thank you.

4 THE WITNESS: This is a document used by some of the
5 courts provided by court administration to keep track of the
6 status of a file.

7 MR. AUSTIN: Okay. Go to the next page please.

8 And, I'm sorry, keep going to -- next page.

9 BY MR. AUSTIN:

10 Q. Okay. And what is this document?

11 A. This is a document that -- well, this is a document
12 where a personal representative can renounce their right to
13 serve in an estate, but it's been stricken through and
14 changed to create a form for a conservator waiving their --
15 renouncing their rights and nominating someone else to serve
16 as conservator.

17 Q. Okay. And so does that mean then that the -- you
18 can see the name Pinckney here at the signature block, Tyrone
19 Pinckney. Does that mean that they are renouncing their
20 rights as conservator in this situation?

21 A. Correct.

22 Q. Next page, please. And is this the same form you
23 went through earlier in the Plyler case, the petition?

24 A. It is.

25 Q. All right. If we go two pages forward, please. All

1 right. And once again, was this form filled out correctly?

2 A. It was not.

3 MR. AUSTIN: And could we back up, I'm sorry, two
4 pages again.

5 BY MR. AUSTIN:

6 Q. And you see this section here?

7 A. Uh-huh.

8 Q. In your experience, who typically fills out this
9 portion of the form?

10 A. An interested party or family member that would have
11 that information or the attorney dealing directly with the
12 client that might have that in their file.

13 Q. And when you have served as a conservator, what
14 obligations do you have to verify the information that's
15 presented to you on a form like this?

16 A. I believe that would be based on who is completing
17 the form. But if an attorney is completing the form and
18 presenting it to me for my signature, then I wouldn't think I
19 would have any responsibility to verify that information.
20 They are the petitioner.

21 Q. Okay. And do attorneys frequently make mistakes
22 with these forms in that area as well?

23 A. Unfortunately, yes.

24 MR. AUSTIN: Can we pull up Government's Exhibit
25 109, please. Go to page 9.

1 BY MR. AUSTIN:

2 Q. All right. And this is the same form that we've
3 reviewed previously? I don't want to belabor the point too
4 much.

5 A. Correct.

6 MR. AUSTIN: Can we go forward two pages, please.

7 BY MR. AUSTIN:

8 Q. All right. And here we have Russell Laffitte again?

9 A. Uh-huh.

10 Q. And again here?

11 A. Correct.

12 Q. And is that consistent with the other forms we've
13 seen?

14 A. It is consistent with the other forms. I'm unsure
15 who signed under 10, so in this one, it doesn't look to be
16 three identical signatures.

17 Q. Okay. I'm going to turn to the Badger case. I
18 believe you said you had some involvement in that one?

19 A. I did.

20 MR. AUSTIN: And will you please pull up
21 Government's Exhibit 218D.

22 BY MR. AUSTIN:

23 Q. All right. And can you please explain this
24 document?

25 A. This is a document terminating the appointment of

1 Arthur Badger as the personal representative for the estate
2 of Donna Badger.

3 MR. AUSTIN: Okay. And can we go to E, 218E.

4 BY MR. AUSTIN:

5 Q. And can you please explain what's going on in this
6 document as well?

7 A. Sure. This is where -- this is the resignation of
8 Arthur Badger as personal representative of the estate of
9 Donna Badger. And then below his resignation is the order
10 appointing a new personal representative due to his
11 resignation.

12 Q. Okay. And we are talking here about Allendale
13 County?

14 A. Correct.

15 Q. And Brenda Bennett?

16 A. Correct.

17 Q. Did you ever know Brenda Bennett during your time --

18 A. I did.

19 Q. And she's a probate judge down there?

20 A. She was.

21 MR. AUSTIN: If we can go to paragraph D or Exhibit
22 218 -- I'm sorry, F. Excuse me. I misread my writing.

23 BY MR. AUSTIN:

24 Q. Okay. And would this verification form, can you
25 please explain this documentation too?

1 A. Sure. This is a verification which essentially
2 states that Russell Laffitte is verifying the information.
3 And then as attorney for petitioner, it looks as if Alex
4 Murdaugh is signing stating that he believes the settlement
5 is fair and in the best interest of the estate. So I have to
6 assume this wasn't part of the previous document, but was
7 part of the petition for approval of settlement in the estate
8 of Donna Badger.

9 Q. Okay. And how do petitions for approval of
10 settlements work?

11 A. It depends on the -- whether or not the action has
12 been filed.

13 Q. Okay.

14 A. So when you bring a lawsuit for someone's wrongful
15 death, if it's not been filed, if a settlement is reached
16 before the action has actually been filed in the court, then
17 you can take that approval for settlement to the probate
18 court. Once it's been filed, then the approval of any
19 settlement has to be handled by the court in which it was
20 filed. And at that time, you then have to notify the probate
21 court of the settlement.

22 Q. Okay. Could we please pull up Government's Exhibit
23 23. All right. Can you please explain what a disbursement
24 sheet is?

25 A. Sure. Whenever you settle a case and you take the

1 settlement before the judge, it's the responsibility of the
2 attorney to demonstrate to the court any of the cost,
3 expenses, attorneys' fees, related to the settlement that's
4 been received, and then to break out after that the receipt
5 of the assets and who's going to be benefitting from the
6 settlement. So our wrongful death code lays out that
7 disbursement sheet and the information that it has to provide
8 the court as part of the petition to have the settlement
9 approved.

10 Q. Okay. And who prepares disbursement sheets?

11 A. The attorney that's handling the settlement.

12 Q. Okay. This disbursement sheet is for Arthur Badger,
13 correct?

14 A. Uh-huh.

15 MR. AUSTIN: And can we zoom in, please, at the cost
16 expenses portion.

17 BY MR. AUSTIN:

18 Q. See where it says Russell Laffitte, personal
19 representative fee of \$35,000?

20 A. I do.

21 Q. Was Russell Laffitte the PR for Arthur Badger?

22 A. No, because Arthur Badger was still alive.

23 Q. Okay. And who was he PR for?

24 A. The estate of Donna Badger.

25 Q. And so is it surprising to see this line here giving

1 personal representative fee to Russell?

2 A. I would say it's unusual. But you often see
3 different costs and expenses based on outside agreements. I
4 wouldn't expect to see it, because this isn't the estate's
5 disbursement sheet. This is Arthur Badger's disbursement
6 sheet.

7 Q. Okay. So we saw earlier where Arthur Badger
8 renounced his status as a conservator?

9 A. Uh-huh.

10 Q. Or, I'm sorry, as PR. Why would somebody do that in
11 this type of situation?

12 MR. HOLLIDAY: Your Honor, objection. Speculation.

13 THE COURT: Unless she has firsthand knowledge,
14 speculating would not be acceptable. I sustain the
15 objection.

16 BY MR. AUSTIN:

17 Q. Do you know why he did, why Arthur Badger renounced
18 his status here?

19 A. I know why I was told he renounced his status.

20 THE COURT: Hearsay. Sustained. Hearsay.

21 MR. AUSTIN: Can we zoom out, please. Can we zoom
22 down to the last three lines, please.

23 BY MR. AUSTIN:

24 Q. This top part, can you, please explain that portion
25 and what it means to you?

1 A. That means to me that Mr. Badger sought to have his
2 funds that he was receiving placed into a structured
3 settlement so that the funds would be disbursed much like an
4 annuity over a period of time as opposed to receiving the
5 funds at once.

6 Q. And what goes into purchasing an annuity?

7 A. Well, I have not purchased many annuities, but
8 usually we rely on an organization that does that for us.
9 Like, so you complete an application. You determine the
10 terms of the structure. You determine, you know, the rate,
11 and how it's going to be paid, at what age it's going to
12 start, how frequently you are going to receive it. So, you
13 know, often people prefer to have that because they
14 ultimately will receive more money. And it also protects the
15 assets if they are receiving any type of benefits or -- I
16 mean, there's 100 reasons that people might not want to
17 receive a lump-sum payment. So when I look at that, I feel
18 that it was Arthur Badger stating that he wanted to have a
19 structured settlement as opposed to receiving the funds in a
20 lump sum.

21 MR. AUSTIN: Can we go to the next page.

22 BY MR. AUSTIN:

23 Q. So we have Alex Murdaugh and Arthur Badger signing
24 here; is that right?

25 A. Correct.

1 Q. So it's your understanding that the law firms are
2 typically in charge of filling these out?

3 A. Yes.

4 Q. If Russell was the PR for Donna Badger's estate,
5 would he owe Arthur Badger any fiduciary duties?

6 MR. HOLLIDAY: Your Honor --

7 THE COURT: Hold on. What's that question?

8 MR. AUSTIN: If he is the PR for Donna Badger's
9 estate, would he owe Arthur Badger any duties as a fiduciary.

10 MR. HOLLIDAY: If she knows.

11 THE COURT: If she knows.

12 THE WITNESS: Am I allowed to answer?

13 THE COURT: You are allowed, yes, ma'am.

14 THE WITNESS: Okay. So this gets a little
15 complicated, because the attorney for the estate owes a duty
16 to all of the beneficiaries of that estate, of which Arthur
17 Badger was also a beneficiary. But that is separate and
18 unique from owing Arthur Badger a fiduciary duty within his
19 own settlement or his own, you know, individual action. So
20 they are two different things. And, you know, to the extent
21 that Arthur Badger was a beneficiary of the estate of Donna
22 Badger and Russell was the PR, then he would owe a fiduciary
23 duty to him with regards to any assets that came into that
24 estate.

25 Q. Okay. Could you explain -- well, excuse me. Have

1 you reviewed the indictment in this case?

2 MR. HOLLIDAY: I think you can ask that question.
3 I'm very curious what the next one is going to be.

4 THE COURT: Let's hear the answer and then we will
5 go to the next question.

6 THE WITNESS: I have reviewed it.

7 MR. AUSTIN: Well, I will strike that. Beg the
8 Court's indulgence.

9 THE COURT: Yes.

10 MR. AUSTIN: Please answer any questions of Mr.
11 Holliday.

12 THE COURT: Cross-examination by the Government.

13 CROSS-EXAMINATION

14 BY MR. HOLLIDAY:

15 Q. All right. Ms. Provence, good morning.

16 A. Good morning.

17 Q. I'm Winston Holliday. I'm an Assistant United
18 States Attorney. Okay? Just to briefly go over a few things
19 that you talked about at the very beginning of your
20 testimony, you were the probate judge in Dorchester County
21 for 10 years, right?

22 A. Correct.

23 Q. Dorchester County, right around here, that's a big
24 county?

25 A. At the time I was probate judge, it was not as large

1 as it is today. But it's considered a medium-sized county
2 within the county -- association of counties.

3 Q. Fair enough. You've been in private practice now
4 for -- well, since you were a probate judge, which was 2008,
5 I think?

6 A. Correct.

7 Q. So even longer --

8 A. Correct.

9 Q. -- than you were a judge. Just what's the caseload
10 like in most probate offices, both from your experience when
11 you were a Dorchester County probate judge and even more so
12 now when you've been in 32 counties around the state?

13 A. Well, it fluctuates. And it's really based on the
14 population of counties. So without sounding too crass, I
15 mean, the number of files you have in a probate court are
16 going to be directly related to the number of people that die
17 there. So, like, Beaufort County might be a similar size as
18 another county, but it has a large retirement community. So
19 they might have a larger number of probate files because they
20 are a retirement community. And so it really -- it just
21 depends. But for the most part, I find that our probate
22 courts are overburdened. Many of them have more files than
23 they could manage. But, you know, it just really depends.
24 It could also fluctuate. You could have years where you have
25 a lot more deaths than others. It just really depends. But

1 proportionally, it's related to the size of the population,
2 because, presumably, the number of incapacitated and/or
3 deceased people is going to be tied directly to the
4 population.

5 Q. But being a probate judge is a tough job because, as
6 you mentioned, typically understaffed in those offices as
7 well?

8 A. Correct.

9 Q. And I believe you were asked under direct that --
10 you obviously do some practicing in Hampton County now,
11 right?

12 A. I don't -- it's been a while since -- I believe I
13 have one file currently in Hampton County. But it's been a
14 while since I've appeared there. So it's hard within my
15 firm, because we have four attorneys that do exclusively
16 probate, to know if we have an active file in any given
17 county. But it's been a while since I've appeared in Hampton
18 County. But, you know, we regularly administer estates in
19 that county.

20 Q. You are familiar enough, though, I think you said
21 that they have one probate judge and one clerk?

22 A. To the best of my knowledge, the last time I was in
23 there, there was one clerk and one judge.

24 Q. Right. That's pretty tight, wouldn't you say?

25 A. I would say, yes.

1 Q. You talked about this a little bit before, and I
2 don't want to get it wrong, conservators are generally --
3 they file annual accountings --

4 A. They do.

5 Q. -- for the conservatorships; is that right?

6 A. They do.

7 Q. And, obviously, these get filed with the probate
8 court, what time of year? Does it matter or just by
9 arrangement?

10 A. That would fall back into 46 counties, 46 different
11 ways of doing things. Sometimes it's based on the time.
12 Like, if I was appointed in March, then they want my annual
13 accounting every March. Some of them lump you into a
14 quarterly system, so you go that quarter. And other -- there
15 are a few courts that do it annually regardless of when you
16 are appointed. They want it, like, on, you know, January or
17 they want it in April or -- so it just depends. But, you
18 know, it's generally within 12 to 16 months of when you
19 received your appointment.

20 Q. And these can be -- the annual reports can be
21 substantial documents; is that right?

22 A. They can be substantial or they can be really
23 simple. I mean, it's a court form. Sometimes you have a lot
24 of necessary attachments. And other times just the simple
25 form is enough. That also really depends on the judge and

1 what they require.

2 Q. Right. And in some of these short-staffed counties,
3 it would be difficult for them, every annual report that
4 comes in, to go line by line through each report, verifying
5 transactions and everything that's included in that report;
6 is that right?

7 A. I would -- that is correct, uh-huh.

8 Q. And if you were a conservator, then wouldn't you
9 think that the court would not feel the need to scrutinize
10 your work as closely as what you called an interested -- I
11 think interested conservator, somebody who is a family
12 member, for instance?

13 A. Yeah, a lot of times we just call them "known" or
14 "interested" or "family."

15 Q. My notes weren't so great on that one.

16 A. We just separate them from a third-party, neutral
17 third-party is what I generally am. I would like to believe
18 that I would be subject to less scrutiny, but I will have to
19 say that sometimes judges are equal opportunity when it comes
20 to picking on you. So I won't say that I get less scrutiny
21 simply because of my, you know, history with the court. It
22 really just depends.

23 If I could expand on that and say that, really, how
24 much the judge is looking at it is depending on whether or
25 not anybody is complaining or bringing something to their

1 attention or -- generally, I don't find that judges sit down
2 with stacks of accountings and look for problems.

3 Q. Good. Thank you. There was some discussion before
4 on direct -- well, let me ask you this question before we
5 move on from that. Conservators are considered officers of
6 the court; is that right?

7 A. That's a tricky one, because if I'm a conservator
8 because of my oath as a lawyer, I'm an officer of the court.
9 They certainly sign an agreement being bound to the
10 jurisdiction of the court. But there's not any procedure
11 where they, like we as attorneys, take an oath to be an
12 officer of the court. I've never seen a court hold them to
13 those rules. So they certainly are bound to the
14 jurisdiction. And if they are an attorney, we are not -- we
15 aren't able to shed that officer-of-the-court role.

16 Q. Right. Even someone who is not an attorney should
17 be dealing with the probate court in an honest and
18 transparent fashion; is that right?

19 A. Should be.

20 Q. And probate judges approve disbursements for
21 conservatorships; is that right?

22 A. They can. It really just depends on the file. You
23 could also have a financial plan in place where you don't
24 have to approve disbursements. So it really depends on the
25 file.

1 Q. Okay. And, occasionally, there are investments made
2 on behalf of a conservatorship; is that right?

3 A. Correct.

4 Q. And these investments, particularly in the case of
5 minor children, should be relatively secure; is that also
6 true?

7 A. Well, the goal is to conserve, so I think that you
8 want them -- but the discretion is up to the court, if the
9 court is requiring approval. And I've seen some courts allow
10 what people might consider moderate-to-high-risk investments,
11 while other courts require you to stay as conservative as,
12 you know, like CDs only. I mean, it's just -- there's a
13 really big variation in that.

14 Q. But, generally speaking, there would be a
15 prohibition on self-dealing, wouldn't that be the case?

16 A. Well, there's a statute in the probate code which
17 defines transactions which may be considered to have a
18 conflict of interest. And it's not barred, but it is in
19 there that the judge can require that interested parties be
20 noticed and that you have to seek approval. Again, some
21 judges consider certain things a conflict of interest that
22 others would not.

23 Q. But you, in your capacity as a conservator,
24 generally speaking, you wouldn't take a loan from the
25 conservatorship, for instance, to do home improvements for

1 yourself, would you?

2 A. I am not doing that, no.

3 Q. You wouldn't take a loan from a conservatorship to
4 put a pool into your house, would you?

5 A. No.

6 Q. And you wouldn't take a loan from the
7 conservatorship to update your countertops at your house
8 either, would you?

9 A. I would not.

10 Q. Because that would be self-dealing, right?

11 A. Well, I mean, professionally, as an attorney, it
12 would be unprofessional. I don't think it would look great
13 on my reputation if I was borrowing money from the person
14 that I was serving to do something personal for myself. It's
15 just -- it's a best practice, I guess I would say. It's not
16 something that my firm would approve for us to do.

17 Q. It's not just attorneys, though, right? I
18 understand what you are saying as attorneys, like definitely.
19 But a conservator taking loans out from a conservatorship for
20 that person's own self-interest, you don't have to be an
21 attorney to know that's not right?

22 A. Well, it just depends on what the interest is and
23 whether or not the interest is also earning interest.

24 Q. But the conservatorship exists for the benefit of
25 the conservatee, child or whatever?

1 A. Exactly.

2 Q. So you would avoid high-risk investments, for
3 instance, with people who have a chronic history of being
4 overdrawn on their accidents and things of that nature; is
5 that right?

6 A. Well, I think you've got to look at what the risk
7 is. I mean, certainly your responsibility is to do a risk
8 assessment on any investment, whether it's a loan or an
9 investment in stocks. I think it is your responsibility to
10 do a risk assessment.

11 Q. Certainly, like, unsecured loans and things of that
12 nature are more risky than secured loans; is that correct?

13 A. Yes.

14 Q. While a personal injury case is pending, there's a
15 relationship between the plaintiff's lawyer and the
16 conservator, isn't there, generally?

17 A. Well, I'm not sure how to answer that, because if a
18 personal injury case is pending, often a conservator isn't
19 even appointed until there's a settlement amount. And so
20 after the appointment of a conservator -- there's not a
21 straightforward answer to that. The relationship could span
22 different periods of time.

23 Q. Okay. But once a conservator is appointed, that
24 conservator is responsible for watching over the money; is
25 that correct?

1 A. Correct, uh-huh.

2 Q. In your experience, when does the relationship with
3 a personal injury attorney end in terms of the
4 conservatorship? Let's say there's a pending case, and
5 there's an attorney who is representing the plaintiff in that
6 case, and the case has been resolved or whatever and the
7 conservator has been appointed, does the plaintiff's lawyer
8 have any interest going forward, or is it now in the hands of
9 the conservator?

10 A. Well, it depends on whether or not they are
11 representing or were representing the conservator at the time
12 of their appointment. So, for example, when I seek to have
13 someone appointed, I consider that relationship to be ongoing
14 until they are discharged from their duties as conservator.
15 I don't consider it to be terminated once they are appointed,
16 because my responsibility's ethically to make sure that I'm
17 guiding them through accountings or any questions that they
18 have. So what a personal injury attorney would consider
19 would be hard for me to guess.

20 Q. Right. So you are speaking about somebody who does
21 probate work?

22 A. And appoints conservators. Like, I am not going to
23 have my client appointed and then just say, well, this
24 relationship is over, I don't owe you any more duties,
25 because if they have questions or concerns, or generally they

1 come back to us for help on their annual accountings, they
2 come back to us if they need to do certain petitions or to do
3 a financial plan. So, for me, it's really not done until the
4 person is -- the funds are surrendered.

5 Q. Okay. If the lawyer who handled the personal injury
6 case asked the conservator to steal money for the
7 conservator, that would be inappropriate now, wouldn't it?

8 A. To steal money?

9 Q. Yes.

10 A. Yes, it would be.

11 Q. Thank you. And the conservator would not have to
12 follow the lawyer's instructions regardless of the
13 relationship between the two; is that right? If an attorney
14 asked a conservator to steal money --

15 A. Correct.

16 Q. -- and in whatever capacity had the case before, the
17 conservator is not bound to follow the lawyer's instructions
18 to steal, is it?

19 A. To steal?

20 Q. Money.

21 A. No, I would not think they would have to follow the
22 advice to steal.

23 Q. I don't think the question is fairly
24 straightforward.

25 A. Yeah. To steal money, no, I don't think so.

1 Q. All right. Because, ultimately, a conservator, as
2 the person conserving the money, has a right to say, no, I am
3 not going to listen to you to steal money, correct?

4 A. Correct.

5 Q. I want to touch briefly on a few of the things in
6 the Pinckney/Thomas and Badger case.

7 MR. HOLLIDAY: If we could go to Exhibit 110,
8 please. And I think we wanted to go to the signature page.
9 That's okay. I don't need the exhibit. I will just go.

10 BY MR. HOLLIDAY:

11 Q. If someone dies during the life of a
12 conservatorship, what should happen?

13 A. Who is dying?

14 Q. I'm saying conservatee.

15 A. Okay.

16 Q. Is that right?

17 A. Yeah. So the conservatee or the -- well, we now --
18 we used to call them "wards" and now they call them "AI's,"
19 "alleged incapacitated" or "conservatees." So your question
20 is, if the conservatee dies during the period of a
21 conservatorship, what should happen?

22 Q. Right.

23 A. Generally, the conservator would protect those
24 assets until the estate is opened. And then they would
25 surrender them to the personal representative, the new

1 fiduciary.

2 Q. Okay. Good. And as far as a conservatorship, if
3 someone is 19 years old and not otherwise incapacitated,
4 would there be any need to have a conservator in that
5 instance?

6 A. By statute, once you are 18, you are considered age
7 of majority. So without a disability, you wouldn't qualify
8 for a conservatorship.

9 Q. And, generally speaking, conservator fees have to be
10 approved by the probate court; is that right?

11 A. The fees that are being paid for the conservator's
12 service?

13 Q. Right. Right.

14 A. Yes, with the caveat that I mentioned earlier, which
15 is there can be agreement at the time that the person is
16 appointed that they are going to receive a fee. And if the
17 judge appoints them with that understanding, then they don't
18 have to continuously seek approval of that fee.

19 Q. Right. But in the absence of some kind of agreement
20 or something like that, the probate court would be the one
21 determining the conservator fee, correct?

22 A. Correct, not determining, but approving.

23 Q. Approving, very good. Thank you. I'm going to show
24 you Government's Exhibit 24, please. And this is from the
25 Badger case. Okay?

1 A. Okay.

2 MR. HOLLIDAY: And I think we need the second page.
3 I had my pages mixed up. I apologize.

4 BY MR. HOLLIDAY:

5 Q. So the recovery amount up here, \$4,675,000, there's
6 a wrongful death portion and there's a survival portion. If
7 you would, tell us the difference between the two.

8 A. I will gladly do so, but this is usually a
9 three-hour lecture in CLE, so I'm going --

10 Q. I'm sure the jury wouldn't mind three hours at all.

11 A. We are going to try to do it in two minutes or less.
12 When someone is killed in an accident or incident, there are
13 two components to being able to recover for them. The first
14 component -- I generally consider survival the first
15 component, because that is money that represents the
16 conscious pain and suffering of the decedent before they
17 pass. And so because it's money owed to them for their
18 conscious pain and suffering, the survival proceeds go into
19 their estate, because it was money owed to them and,
20 therefore, it's part of their estate.

21 Wrongful death proceeds, on the other hand, are for
22 the loss of the companionship. You know, there's this long
23 list of losses we suffer when someone that we care about is
24 killed. And so that portion is the wrongful death portion.
25 And that goes directly to that person's intestate

1 beneficiaries, meaning statutorily, it says who receives
2 that. It doesn't matter what their will says, what their
3 estate says. It goes to the people who have suffered the
4 loss. And so in this situation, we are putting the majority
5 of the funds towards the wrongful death, which goes directly
6 to the statutory beneficiaries, as opposed to money towards
7 conscious pain and suffering, which would go towards the
8 estate.

9 Q. Okay. Very good. So in this one, tell me how the
10 PR fee would be calculated.

11 A. Well, generally, PR fees aren't calculated as part
12 of the settlement anyway. They are calculated within the
13 estate, because, for example, what I can tell you by looking
14 at this, is this \$500 would go into the estate. It would be
15 added to the other estate assets. And in the estate, that's
16 where we would normally calculate a PR fee, unless there was
17 some other contractual agreement or agreement by the parties
18 as to how to pay it. So, you know, it happens often, but the
19 circuit court judge really isn't capable of determining a PR
20 fee because they don't have the information that's in the
21 probate court file, which is the total value of the estate.

22 But if you are asking me what the PR fee would be on
23 this \$500 and wanting me to do math on the fly, then it would
24 be \$50. Right? Is that correct? No? Yeah. So it would
25 be -- no, it would be less than -- the minimum PR fee, by the

1 way, is \$50. So, like, no matter how small the estate is,
2 there's a minimum fee payable of \$50. But it would be 5
3 percent.

4 Q. In this instance, it's \$500?

5 A. Correct. 5 percent of the \$500.

6 Q. You knew Alex Murdaugh before all of this, right?

7 A. I did.

8 Q. And have you actually -- or at some point, you went
9 into the PMPED law firm and sort of gave them an overview or
10 some training as to how probate law works; is that correct?

11 A. I went to --

12 Q. Casting no aspersions, by the way. I'm just
13 establishing you are the one who knows this.

14 A. There were a lot of discrepancies within their firm,
15 just like many firms, on how forms were being completed. So
16 I did what I would just call an in-service for their legal
17 assistants or paralegal staff.

18 Q. Okay. Very good.

19 A. I went in and spoke with them about, you know,
20 trying to get some uniformity on how they handle their forms
21 and, you know, just kind of basic lessons on working the
22 probate forms.

23 Q. Because there were problems with what they were
24 filing?

25 A. Well, there wasn't consistency. Right? And it was

1 often confusing for us when we're seeing inconsistencies and
2 unsure how they want things handled. So we just felt it was
3 easier to go in. Because it's often support staff that's
4 filling in the forms. So we just went from and tried to
5 create some consistency on how they were going to complete
6 the form, so that we were better able to help them move
7 through the probate court without getting things kicked back
8 from the courts.

9 Q. I'm going to show you Government's Exhibit 71. And
10 if you would like, you can take a second to take a peek at
11 this. I know we are going back a way. This is a 2009
12 e-mail; is that correct?

13 A. Yes, it is.

14 Q. But it's basically an introductory e-mail; is that
15 correct?

16 A. It is.

17 Q. And you are being introduced to Russell Laffitte; is
18 that right?

19 A. I am.

20 Q. And so when there were questions actually regarding
21 probate of certain issues, not necessarily the entire thing,
22 but you are being introduced to him just in case he had any
23 questions about probate; is that correct?

24 A. I would say -- "I have the probate files in our
25 office which we will provide if you and Russell decide to

1 work together. If you do, he will be responsible for your
2 fees."

3 So I would view this as more of a referral, you
4 know, like an introductory potential referral e-mail.

5 Q. Right. Ronnie clearly indicating, though, that they
6 are out of their element with any kind of probate work with
7 their firm; is that right?

8 A. I'm hesitant to say out of their element because it
9 could just be trying to separate, you know, the
10 responsibilities. There are certainly cases where they
11 handled that themselves.

12 Q. But in this instance, again, separating the
13 responsibilities, they handled the accident case, you were at
14 least available in case -- if Russell needed to contact you;
15 is that right?

16 A. I was, uh-huh.

17 MR. HOLLIDAY: All right. Thank you very much for
18 answering my questions.

19 THE COURT: Okay. Anything on redirect?

20 BY MR. AUSTIN: Just a couple of questions, Your
21 Honor.

22 Can we pull Government's Exhibit 71 back up, please.

23 REDIRECT EXAMINATION

24 BY MR. AUSTIN:

25 Q. All right. In that sentence it says, "The estates

1 were opened so that we could bring wrongful death actions
2 arising from automobile accident." What does that mean to
3 you?

4 A. That means that there wasn't -- there weren't really
5 significant estate assets, that the estate -- the reason they
6 opened the estate was so that they could pursue a wrongful
7 death action on behalf of the person who was killed.

8 Q. Okay. And is that why they needed somebody to
9 serve, an outside neutral conservator PR to serve in that
10 capacity?

11 A. Correct.

12 Q. And what would be the benefit to a beneficiary of a
13 wrongful death settlement then?

14 A. I'm sorry?

15 Q. What would be the benefit to someone here, like
16 where Arthur Badger is being separated from serving as PR?

17 MR. HOLLIDAY: Your Honor, objection. Only that it
18 misstates the exhibit. It's not the Badger case.

19 MR. AUSTIN: My mistake.

20 THE WITNESS: Plyler.

21 THE COURT: Plyler matter.

22 THE WITNESS: Sure. So it's incredibly common when
23 you have more than one person killed in the same accident
24 that that creates a conflict of interest for people to serve.
25 So meaning when -- often there's a limited amount of money

1 being offered. And it's being divided between estates. And
2 so if there is a conflict of interest because maybe, you
3 know, those -- they have competing interests, then they will
4 often appoint a neutral person, because not only are they not
5 going to personally benefit from which receives the more
6 money, but they also have the ability to be more impartial as
7 far as how those funds are divided. So in a lot of cases, we
8 have PRs who end up with a conflict of interest or have a
9 conflict of interest from the outset where it becomes more
10 suitable to name a neutral person to serve as the plaintiff
11 in those cases. A lot of times, for strategy reasons,
12 plaintiff attorneys like to have neutrals sitting at the
13 table if there's, you know, any type of conflict between the
14 decedents. And sometimes it's living parties that were
15 injured but aren't dead that also beneficiaries of the
16 estate. There's a thousand reasons that this happens. But
17 in general, they often appoint neutrals so that they don't
18 have that same conflict.

19 Q. I believe you said someone -- PR would serve as
20 plaintiff. Did I hear you correctly?

21 A. Correct, uh-huh.

22 Q. What does that mean for the relationship then
23 between the plaintiff's attorney and the person serving as
24 PR? Is there an attorney-client relationship?

25 A. Oh, absolutely, uh-huh.

1 Q. And what does that mean then for the person serving
2 as the PR?

3 A. So, for example, if I'm appointed as a neutral PR
4 and there's an accident case going on, then I now stand in
5 the shoes of the estate, the deceased person, as the
6 plaintiff. So even though I'm an attorney, I'm sitting at
7 the table as the plaintiff, and the plaintiff's attorney is
8 my attorney. That's my attorney. And they are representing
9 the estate by and through me as the personal representative.
10 So there is an attorney-client relationship between the
11 personal representative and the plaintiff's attorney. You
12 are their client.

13 Q. Okay. Mr. Holliday asked you about -- he gave you a
14 hypothetical about PR/conservator helping an attorney steal
15 from one of their conservatees --

16 A. Uh-huh.

17 Q. -- PR, one of their fiduciaries. Based on your
18 personal involvement in this case, are you aware of any such
19 request?

20 MR. HOLLIDAY: Objection, Your Honor. Objection.
21 Hearsay.

22 MR. AUSTIN: I'm asking if she's aware.

23 THE COURT: The question is, is she aware herself of
24 theft? Is that your question?

25 MR. AUSTIN: Yes.

1 THE COURT: She can testify to that.

2 MR. HOLLIDAY: Foundation, Your Honor?

3 THE COURT: If she has knowledge. You have to lay
4 down the foundation. She has the personal knowledge.

5 THE WITNESS: I am not aware of any theft.

6 MR. AUSTIN: Thank you. No further questions, Your
7 Honor.

8 THE COURT: Very good. You may step down.

9 Is there any need to retain this witness?

10 MR. HOLLIDAY: No, Your Honor. Thank you.

11 THE COURT: Very good. You are free to go. Thank
12 you. Let's take our morning break, ladies and gentlemen.

13 (Jury leaves open court at 11:00 a.m.)

14 THE COURT: Please be seated. If the defense feels
15 comfortable sharing with the Court, just foreclosing how many
16 more witnesses we have.

17 MR. DANIEL: I think just one.

18 THE COURT: One, very good. We will be at ease.

19 MS. LIMEHOUSE: Your Honor, may I bring up one
20 matter?

21 THE COURT: Certainly may.

22 MS. LIMEHOUSE: We've been given some exhibits for
23 the first time this morning. And we intend to object to
24 three of the four exhibits. We might want to take that up
25 out of the presence of the jury just to save their time being

1 in here, if you want to review these.

2 THE COURT: Yes, I would. Thank you.

3 MS. LIMEHOUSE: The first three we intend to object
4 to. The fourth one we do not if adequate foundation is laid.

5 (Whereupon, a recess is taken.)

6 THE COURT: I've been provided some documents. And
7 they are separate documents. I'm counting one, two, three,
8 four, five separate exhibits. Some of them are multiple
9 pages.

10 Okay. Ms. Limehouse, let me hear your concerns.

11 MS. LIMEHOUSE: Yes, Your Honor. One of the
12 documents is what is purported to be a resignation letter
13 written by Mr. Russell Laffitte.

14 THE COURT: Let's deal with that first. That's
15 defendant's proposed Exhibit 87.

16 MS. LIMEHOUSE: That's my understanding. Your
17 Honor, this hearsay, self-serving hearsay that is improper to
18 be admitted through Mr. Laffitte. I will also say there's
19 prior sworn testimony that establishes that there was not a
20 resignation letter. In February of this past year, Mr.
21 Laffitte was deposed under oath and stated that there was no
22 resignation letter. And so not only is this letter not dated
23 and is self-serving hearsay, but also contradicts his own
24 prior sworn testimony.

25 THE COURT: Let me hear from the defendant, Mr.

1 Austin.

2 MR. AUSTIN: So the distinction with the resignation
3 that he was you -- resignation letter that Mr. Laffitte was
4 talking about in that bond hearing --

5 THE COURT: I am not concerned -- I'm concerned that
6 this appears to me to be hearsay. It's a self-serving
7 statement of the defendant. It's hearsay. Now, why is that
8 not -- I mean, the only way an opposing party statement can
9 be used is when it's being used by the opposing party, not by
10 the party that's the self-serving statement. So why is this
11 not that?

12 MR. AUSTIN: It goes to his state of mind and his
13 intent at the time when he resigned.

14 THE COURT: He can testify to that and whether --
15 you know, what his state of mind was at that time. I mean,
16 whether he resigned or didn't resign is largely, in my view,
17 immaterial whether he did or did not commit the alleged
18 crimes. But the problem here is it's just, like, basic
19 Evidence 101, this is self-serving statement. I sustained
20 the objection as to 87.

21 What's the next one?

22 MS. LIMEHOUSE: Next one, I am not positive it's
23 sequential order, but there was a document signed by Mr.
24 Arthur Badger. Of course, Mr. Badger testified before Your
25 Honor, and possibly could have authenticated that document.

1 But Mr. Laffitte's signature or information is not on that
2 document. So he can't properly authenticate it. And it's
3 hearsay, so --

4 THE COURT: Was it filed in a court?

5 MS. LIMEHOUSE: I am not certain that, Your Honor,
6 based on the face of that document.

7 MR. AUSTIN: That's my understanding, Your Honor.

8 THE COURT: Show me.

9 MR. AUSTIN: Your Honor --

10 THE COURT: Your understanding is not good enough.
11 You've got to tell me -- you've got to file, probate file,
12 pull it out and show it to me, because that's relevant to
13 this consideration, was it a filed document.

14 MR. AUSTIN: Our understanding it's in there based
15 on our discussion with Mr. Laffitte, but we have not been
16 able to find it in the documents.

17 THE COURT: Your understanding and can't find it,
18 that's not good enough. There are obviously exceptions
19 regarding public records. And there's no marking here
20 indicating that -- there's an objection on authenticity.
21 There is a potential exception for public records. I've
22 been -- it had been represented to me there is a -- that
23 these probate files are in the record. The record speaks for
24 itself. You can't say, well, Mr. Laffitte thought it was in
25 the record. That's not good enough. That's what

1 authentication is. Got to be what it represents itself to
2 be. I see nothing on this document. Of course, you have the
3 witness here to ask him about it, to ask him.

4 But, you know, at this point it's hearsay unless you
5 can show me. And I'm open to this if you can demonstrate to
6 me in the probate file that it was a public record.

7 MR. AUSTIN: Thank you, Your Honor.

8 THE COURT: Keep looking. I'm open to hearing you
9 out on that.

10 Okay. Let me make a note here. And you could
11 always call Mr. Badger back for that purpose. Okay? You
12 could do that if -- but --

13 MR. AUSTIN: I don't believe he's under subpoena,
14 Your Honor.

15 MS. LIMEHOUSE: And he's been released.

16 MR. AUSTIN: It is a critical piece of evidence.

17 THE COURT: If it's such a critical piece of
18 evidence, you should have asked him about it.

19 MR. AUSTIN: We weren't aware of it.

20 THE COURT: Well, the Rules of Evidence have a
21 really good reason. And just having things sort of free-form
22 documents and saying, oh, you want to fall within -- this
23 would be hearsay if it's not -- you haven't given me any
24 other basis for it not to be hearsay. Easily confirmed or
25 challenged by Mr. Badger himself. But there is an exception,

1 of course. An exception is for a file of public record.
2 And, you know, the file -- I'm told it's in the record, that
3 the probate court is in the record but the document is not.
4 If that changes, I'm glad to reconsider. At this point, I
5 sustain the objection.

6 What's the next one?

7 MS. LIMEHOUSE: Next one, Your Honor, is a letter
8 from Mr. Jan Malinowski. Again, he testified before Your
9 Honor last week. I don't believe Mr. Laffitte can
10 authenticate that letter written by Mr. Jan Malinowski.

11 THE COURT: Did he receive the letter?

12 MR. AUSTIN: Yes, Your Honor.

13 MS. LIMEHOUSE: We've just seen it this morning. So
14 we haven't had an opportunity to ask any of our witnesses
15 about this either.

16 THE COURT: What's your objection to it?

17 MS. LIMEHOUSE: It's hearsay, Your Honor.

18 THE COURT: What's it offered -- what's the purpose?

19 MR. AUSTIN: It's a business record. And it shows
20 that Mr. Laffitte is trying to pay back fees to the bank,
21 trying to make -- trying to avoid the bank suffer any
22 consequences or limit the consequences it suffered from any
23 negligent actions.

24 THE COURT: Let me understand what he's trying to
25 do. He encloses personal checks for 15,000. And this is Mr.

1 Malinowski writing the defendant: Enclosed please find your
2 personal checks. I am informed they represent conservator
3 fees for Natasha Thomas and Hakeem Pinckney. I am returning
4 the items to you. As you know, the bank was not a
5 conservator in either case, nor did it perform any service in
6 either case. Consequently, the bank did not earn or seek any
7 fee.

8 You want that document in?

9 MR. AUSTIN: Yes, Your Honor. We think it goes to
10 Mr. Laffitte's state of mind at the time.

11 THE COURT: No. No. This is March 14, 2022. It's
12 not contemporaneous. It's not a state-of-mind document.

13 MS. LIMEHOUSE: I think there's also issues with
14 relevance, Your Honor, a letter from March --

15 THE COURT: Also jury confusion. You know, you
16 can't -- I don't want to create an analogy here, but you
17 can't commit a crime and then offer to give the money back
18 after later. I mean, that's not -- it doesn't go to the
19 state of mind at the time you committed the act. Again, if
20 it's such a critical document, you could have asked Mr.
21 Malinowski about it as the -- but I think there are real
22 issues here about relevance and jury confusion, 403, because
23 my understanding, and you can correct me on this, Mr. Austin,
24 this is all after the fact of the alleged crimes here.

25 MR. AUSTIN: There's been a lot of testimony, Your

1 Honor, about Mr. Laffitte's acceptance of responsibility. Do
2 you recall the November e-mail chains that talked about him
3 saying, we converted, and people asking if he was responsible
4 from the Board, and he said --

5 THE COURT: That's fine. You can question him about
6 it. But now after the fact, coming and saying, I want to
7 give the money back, that's not relevant. And it's kind of
8 inviting -- you can't -- you and I both know, Mr. Austin, you
9 can't commit a crime and be exculpated after you got caught
10 you gave the money back. Right? There would never be a bank
11 robbery charge. Right? So that can't be the basis for this.
12 Now, if you can establish to me some other better relevance
13 that might be -- doesn't seem relevant to me. And it's
14 misleading to the jury. And I think it kind of invites
15 nullification because it's not a proper defense.

16 MR. AUSTIN: Your Honor, he was accused of keeping
17 the conservatorship money. And he also was trying to repay
18 fees back in the fall of 2021 as well. And so --

19 THE COURT: Well, if he -- if you put it during the
20 relevant time, I will rule on that. But this is March 14,
21 '22. That's outside the time. And I sustain that objection.
22 Okay. That's 86.

23 Okay. And then I have Exhibit 83, which are two
24 checks in 2021, November of '21, to Palmetto State Bank, PR
25 fee, one-half in settlement. I'm not sure I understand this,

1 these checks. This is a check and a deposit slip.

2 MS. LIMEHOUSE: My expectation, and I don't know
3 this, but my expectation is that they are going to argue that
4 that represents half of the \$35,000 PR fee that Mr. Laffitte
5 took from Arthur Badger.

6 THE COURT: Well, y'all said he -- you've asked him
7 multiple times, did that represent half the fee, and if he,
8 you know -- at the time he attempted to pay it. That would,
9 seems to me at least, would be potentially relevant to the
10 case.

11 MS. LIMEHOUSE: We have no objection as long as --

12 THE COURT: I think 83 is a proper document. You
13 know, jury is going to decide the significance of it and all
14 that, but I think it's a proper document.

15 MR. AUSTIN: Thank you, Your Honor.

16 THE COURT: So let me just -- reviewing is, I
17 sustain the Government's objection regarding defendant's
18 proposed Exhibits 86, 87 and 88. And I -- there's not an
19 objection to 83. Did I accurately state that?

20 MS. LIMEHOUSE: That's correct, Your Honor.

21 THE COURT: And we will mark these just so they will
22 be in the record what these were.

23 MR. AUSTIN: Your Honor, is 83 in evidence now?

24 THE COURT: You are going to have to put it in,
25 unless y'all stipulate or something.

1 MR. AUSTIN: I wasn't sure if there was a
2 stipulation.

3 THE COURT: I don't understand there to be. If
4 y'all work it out, that's fine with me. Okay.

5 Is our jury ready, Ms. Crystal? Let's bring them
6 in.

7 (Court's Exhibit 86, 87 and 88 are marked for
8 identification.)

9 (Whereupon, the jury returns to open court at 11:26
10 a.m.)

11 THE COURT: Please be seated.

12 Government, call your next witness.

13 MR. AUSTIN: The defense calls Russell Laffitte.

14 THE COURT DEPUTY: Please state your full name.

15 THE WITNESS: Russell Lucius Laffitte.

16 RUSSELL LUCIUS LAFFITTE,

17 having been duly sworn, testifies as follows:

18 DIRECT EXAMINATION

19 BY MR. AUSTIN:

20 Q. Good morning, Mr. Laffitte. Can you tell the jury a
21 little bit about yourself. Where were you born and where did
22 you grow up?

23 A. I was born and raised right in Hampton County.
24 Always wanted to live right there in Hampton County. I went
25 to -- graduated from Patrick Henry Academy in Estill, South

1 Carolina. Then I went -- well, I took a break between high
2 school and college, farmed for five years. Then I went to
3 Newberry College. Graduated with a business degree in 1997.
4 And immediately came back to work at Palmetto State Bank.

5 Q. Okay. So you took a little break. Did you set out
6 to become a banker when you graduated high school?

7 A. I had no intentions of ever being a banker. I like
8 the outdoors. Always liked hunting and doing things,
9 farming. I like being outdoors. And so I didn't want to be
10 stuck in the office. And my father had asked me to come back
11 from 1997 when I was graduating. And I decided to try it.
12 And I just fell in love with it. And I really, really
13 enjoyed it.

14 Q. And what do you like in particular about banking?

15 A. I enjoyed helping people. There's nothing like, you
16 know, helping somebody start their business or save their
17 business by loaning them money when, you know, things are
18 going wrong, especially as they were in COVID, when they buy
19 their first car, or help them pay for their child to go to
20 college or something, anything, buy the house. I mean, it's
21 a wonderful feeling to get to help people in that manner.

22 Q. Okay. And since you came back from college, have
23 you lived in Hampton your entire adult life?

24 A. I have. Technically, in Varnville but Varnville and
25 Hampton are side-by-side towns.

1 Q. Okay. And can you just trace your work history at
2 Palmetto State and explain what different roles you filled?

3 A. Well, as was testified earlier in this trial, I was
4 the gofer when I started back in '97. You know, I never
5 worked in the bank, not a day in my life, other than to move
6 files or haul stuff to the dump or something along those
7 lines. So when I first started, just like everybody, you
8 know, we go through the teller line just to learn the basics.
9 No, they didn't think I was going to be a teller my whole
10 life. And it's a good thing, because I am not really that
11 good at it. So we went through the teller line. And I moved
12 through different spots. But along that same -- around that
13 same time that I came, one of our loan officers quit and
14 moved to another bank. So I was sort of thrust into loans,
15 consumer lending fairly quickly.

16 Q. And would you say that's your sweet spot in banking?

17 A. I would say commercial lending. As I developed
18 throughout the years as a lender, you know, you just don't
19 let people start out. I mean, there's a lot to look at. And
20 so much of it, especially in community banks, as you heard
21 over and over, it's relationship banking. You have to know
22 the people, know their business. And my sort of niche was
23 the timber industry and the agricultural. I understand the
24 timber industry, whether it be logging, purchasing, and
25 buying and selling timber, or even such as the saw mills in

1 our area, which is -- just so you know, timber is our number
2 one industry in Hampton County. So you need to learn it if
3 you want to be a banker in Hampton County. And so that's
4 what I sort of focused on. And that was where the majority
5 of my loans were, with either purchasing land,
6 timber-producing properties, farms, purchasing the heavy
7 equipment for the loggers themselves or production loans for
8 them.

9 Q. Okay. And tell me about your own family. We've
10 heard from your dad, your sister, and your brother. But what
11 about your family; how many children do you have?

12 A. I have two children. And, you know, I've got to
13 give my wife credit. She's done a great job with them. I
14 hope I've helped some. You know, back in January when I was
15 fired, it made me -- chokes me up to think about this, about
16 how much of my life, of my children's lives that I threw
17 away, that I should have spent more time with them. And I
18 wish I had. I wished I hadn't worked all the time, because I
19 will tell you, I'm a workaholic. I love to work, always
20 have, and still work a lot. But when something of this
21 magnitude happens, it totally changes your priorities. And
22 you see things through a different set of eyes. So, no, I am
23 not glad to be sitting here, but I am glad that I've gotten
24 those priorities straight now.

25 Q. All right. And tell me about your community

1 involvement in Hampton.

2 A. We're a community bank. Palmetto State Bank is a
3 community bank. We stress community involvement, whether --
4 and I think people need to be involved in the community
5 regardless of whether you are a banker. I mean, that's part
6 of being in the community. It makes your community a better
7 person -- a better place. I've started out in the Rotary
8 Club. I was in the Rotary Club for 20-something years. I'm
9 not sure how long, a long time. That was a good club. And
10 also we did -- I did Little League. I coached baseball,
11 which is sort of ironic, because I never played baseball.
12 But I helped -- let's qualify Little League, T-ball. It was
13 T-ball. I was the person that directed them which way to
14 run. And, you know, I also did the concession stands for our
15 Little League football. I ran all the concession stands
16 helping them. You know, we would get there -- if it was
17 Saturday games, games start at three o'clock, I would be
18 there about 7:30 and we would get going all day long.

19 I was also involved with our Economic Development
20 Commission. And I was -- I had resigned from it because I
21 did not realize you couldn't be on two state -- quasi-state
22 county commissions. I was on our Hampton County Disabilities
23 and Special Needs Board. And that was first. And then I got
24 on the Economic Development Commission. And I was notified
25 by the County that I couldn't be on both and to pick one. I

1 think they thought I was going to take the Economic
2 Development Board, being a banker. But I chose Disability
3 and Special Needs. It was just a special -- you know, to be
4 able to help those individuals, to sort of shape the kind of
5 services that they will get in the county, it meant a lot to
6 me. So I did that. I was also involved with my church. I
7 did a lot.

8 Q. And we talked about your kids. And your wife,
9 Susie, what does she do for a living?

10 A. You really are going to put me on the spot now.
11 She's a teacher, sort of.

12 Q. Can you explain that?

13 A. I'm trying to think of the exact term. Reading
14 recovery, she helps -- I know exactly what she does, but I'm
15 not sure what they call her. Reading recovery, she helps
16 students that don't read up to grade level, get up to grade
17 level. She pulls them out of classroom and puts them in
18 small groups and helps get them up to grade level.

19 Q. Okay. Has she always lived in Hampton or the
20 surrounding areas?

21 A. She took about a three-year detour and went to
22 Mississippi, but other than that, she's been there.

23 Q. All right. We've obviously heard a lot about Alex
24 Murdaugh in this. Can you just tell the jury, please, about
25 your relationship with him growing up and professionally?

1 A. Alex -- I don't know if y'all realize this, but I
2 know y'all realize we grew up next-door to each other,
3 literally across the street. And he is my father's godson
4 and I'm his father's godson. So, you know, we have tight
5 ties. I never was really close to him. I was close to his
6 younger brother, John Marvin, which you all met the other
7 day. Alex is three or four years older than me. I think
8 three years older, to be exact. So when I was coming in to
9 getting big enough to play basketball or football and all,
10 you know, they were a lot older. You know how the growth
11 differences are in kids. And I never went -- like, if I was
12 coming in freshman in high school, he was a senior. So we
13 never really did a lot; whereas, with his brother, I was the
14 same age. However, being in the same town, we know each
15 other.

16 And he was a partner at the law firm, PMPED. And
17 so, obviously, I knew him since they are our largest private
18 customer in Hampton County, and probably might be in the
19 whole bank, bank-wide. So I did know him from there. And we
20 had -- you know, I banked him. I was his banker or whatever
21 you want to call it. You know, one of my things, I catered
22 to the law firm. You know, they were good clients. And I
23 wanted to cater to them and make sure that they stayed good
24 clients. We kept a lot of loans, a tremendous amount of
25 deposits. I actually know that, but I don't know if I can

1 say that in public or -- I don't think it's really necessary.
2 Y'all understand, they had a lot of loans and a lot of
3 deposits and we wanted to keep them. So, yes, he was one of
4 my clients, along with many, many of the other attorneys. It
5 wasn't just Alex.

6 Q. And were you the only person at Palmetto State that
7 would help him with banking needs?

8 A. He would sometimes come to my father because that's
9 where it started. He started banking with my father, I'm
10 assuming. And, you know, Chad Westendorf would help him
11 sometimes, depending on what he was needing. If he wanted to
12 open an account, he definitely was not going to talk to me,
13 he was going to talk to one of our customer service people,
14 because I just wouldn't even begin to know how to do that.
15 But, you know, we all would help him if they needed it. But,
16 yes, primarily, I would say I was definitely his primary
17 banker.

18 Q. Okay. And can you tell the jury a little bit about
19 the Murdaugh family and their -- the way they were viewed in
20 Hampton County?

21 A. Well, the Murdaugh family in Hampton County growing
22 up, when I say "growing up," when I was young, their
23 granddad, Mr. Buster Murdaugh, he was the solicitor. And as
24 I grew up, Mr. Randolph III was the solicitor, Mr. Randolph
25 Murdaugh III was the solicitor, and I don't know how else to

1 say it, they were the law in Hampton County. I mean, they
2 were very influential, is an understatement when it comes
3 to -- they helped the judges get elected. They helped the
4 sheriffs get elected. You know, they were -- they had their
5 fingers in it. So I would say they were definitely
6 synonymous with law enforcement. Having been a solicitor,
7 you know that happens.

8 Q. During the time that you had -- were in a
9 professional relationship with Alex, was he also working at
10 the Solicitor's Office?

11 A. I am not real sure. You know, his father was a
12 solicitor when Alex started banking with me. And I'm not
13 sure. I know Alex was an assistant solicitor -- I think he
14 was an assistant solicitor until 2021 when all of this broke.
15 But I'm not sure when he became that. But, yes, I would see
16 him numerous times with his father. And I don't think he was
17 real active, but I think he would do some smaller cases every
18 once in a while for the Solicitor's Office in Hampton.

19 Q. Okay. And to your knowledge, did he have any
20 banking relationships with other banks besides Palmetto
21 State?

22 A. Yes, he did. I know he banked at Bank of America.
23 I know he had credit cards at other places. Those are just
24 two offhand I can think of real quick.

25 Q. You said that other lawyers from PMPED also were

1 customers of the bank?

2 A. Yes, sir, most of them were. Not -- I wouldn't say
3 all of them, because they have other offices. But most were
4 customers of our bank.

5 Q. Okay. And can you tell us a little bit about the
6 compensation structure at PMPED as you saw it from when you
7 were banking at Palmetto State?

8 A. We are going to talk just of compensation of the
9 attorneys. They were paid a salary. I think their final
10 salary last year I remember seeing was somewhere around 100-,
11 \$110,000 a year, which is a pretty good salary. That's a
12 drop in the bucket usually or not a substantial amount for a
13 lot of them. And the way they get the balance is they
14 get a -- it's all done by the amount of business or
15 settlements that they bring in, business. I'm not sure how
16 to the term this, the amount of fees that they collected
17 during the year. They take that, put it in a pool. They
18 have a certain amount for overhead, let's just say -- I think
19 Ronnie Crosby said, what was it, about 7 1/2 percent, they
20 will take that 7 1/2 out, their expenses for their
21 paralegals, their part of the rent on the office building,
22 because they rented it from themselves, and then the rest
23 would be theirs.

24 Q. And so when would they typically get the bulk of
25 their income from PMPED during the year?

1 A. Late December, 1st of January.

2 Q. That's when the bonuses came out?

3 A. Yes, sir.

4 Q. And so there's been a lot of testimony about Alex
5 Murdaugh and he's living large here. Did you ever see any
6 red flags with him over the course of your life knowing him?

7 A. I didn't. I'm still, you know, just shocked when I
8 see all of what took place. It's just how did you miss it?
9 You know, it's sort of like -- I used this analogy of maybe
10 of a girlfriend or a husband and wife that are cheating on
11 each other, and when they catch them, and all of a sudden you
12 are like, how did I miss all the signs? They were right
13 there in front of me. They were. They were right there in
14 front of me. Not just me, the whole -- as you've heard over
15 this court, it was right in front of everybody. And we
16 missed it, and I wish I hadn't. I promise you, I do.

17 Q. Well, you said the red flags. What are you talking
18 about?

19 A. Just like with the checks, you know, that he would
20 bring in, he would always have a story. You know, he was
21 loud. He was gregarious. He was -- I mean, as Jeanne said,
22 chaotic. When he came in the office, it was -- I could hear
23 him when he hit the door. Granted, I am sitting in the
24 lobby, but I could hear him when he hit the door. And he
25 would walk in and say, hey, I need you to do this, I need you

1 to do that, loud, always in a rush, talking on the cell
2 phone, walking in and out to go talk to people. And it was
3 his way to disarm you. And you just thought that was him.

4 Now, with the benefit of hindsight, it was all an
5 act. I mean, he absolutely -- every action or every contact
6 that I had with him now I suspect that it was -- what was the
7 ulterior motive? You know, because now we are seeing him in
8 a whole different light than anybody saw him.

9 Q. And what was your impression of Alex professionally?

10 A. He was a very successful attorney. He and his
11 brother practiced together. And I get a little off subject
12 right here. And I will get to that exactly. And I also say
13 his brother, very organized, very detailed, will analyze
14 something to death. Alex was the loud, the -- I wouldn't say
15 bully, but in some ways, he would be, but he was gregarious.
16 I mean, he was full of life, or so he seemed to be. And I
17 always would tell, you know, if I had a really detailed case,
18 I would go to Randy. That would be Randy Murdaugh IV. But
19 if I had a case that I needed a little bit of bull thrown in
20 there, you know, because it was a little shaky, go to Alex,
21 he was full of it. I mean, he could -- it was unbelievable
22 how he could just talk, how he knew everybody.

23 I mean, if you ever had to ride somewhere with him,
24 I did one time -- first of all, he's a terrible driver;
25 second, he stops everywhere to talk to somebody. And it's

1 just like, come on, man, we've got to go, I've got things to
2 do today. And that's just Alex. That's the way he was.
3 Never met a stranger. He was very, very outgoing.

4 Q. And where is PMPED, or I guess their former offices
5 now, in comparison or in relation to Palmetto State Bank?

6 A. I wish I could draw it. You know, if you look at
7 that plastic whatever shield right there in front of you,
8 let's say that plastic shield is the courthouse or the
9 courthouse square, we are on one side, they are on the other.
10 So we are literally quarter of a mile, maybe a little more
11 than that across from each other. We are very close.

12 Q. What about the courthouse?

13 A. It's between us.

14 Q. And is the probate court in the courthouse?

15 A. Yes, sir, it's in the courthouse.

16 Q. So let me go back to the fall of 2021, particularly
17 in September, October, time frame. When did you first start
18 to suspect that Alex was involved in something bigger than
19 what you knew at the time?

20 A. Well, as they've testified, Jeanne and those came
21 over and said that, you know, they were investigating him for
22 missing fees somewhere in September. I don't remember exact
23 dates. Until then, I never, never would have suspected
24 anything. I mean, I saw his tax returns. He made a lot of
25 money. I mean, I couldn't imagine it. It's still hard to

1 believe it.

2 Q. And how much money was he typically earning per
3 year?

4 A. My sister testified to that. She said over the last
5 decade it was a million and a half a year. You know, there
6 were a lot of years he made multiples of millions. And then
7 some years he would make just a couple of hundred thousand,
8 which is a lot of money. However, for his lifestyle and
9 what -- I wouldn't say his lifestyle. But, yeah, that's
10 right. It cost a lot. I mean, it cost a lot to keep up a
11 farm and a beach house and other things. But he made a lot
12 of money.

13 Q. And how did you view his financial risks as they
14 were presenting themselves to the bank during that time?

15 A. You know, he wasn't like A-1 credit. I mean, there
16 was no way, you couldn't even argue that. But I wouldn't say
17 that he was a really risky credit. He had a lot of debt.
18 However, he also -- with the income, cash flow statements.
19 He was terrible at managing his checking account. I mean,
20 it's been well-documented across this case. But he was a
21 very low-risk, because, one, his job, his ability to earn
22 money and, you know, just we didn't -- and our longevity. I
23 want to say he had been banking with us since the late '80s.
24 So we have a lot of history which gives you a lot of comfort,
25 which also in hindsight, opened us up to a lot of things, or

1 me up to a lot of things.

2 Q. So there's been a lot of testimony about overdrafts.
3 And was it common for him to be in overdraft status in any of
4 his accounts?

5 A. Absolutely. He just would write checks and we would
6 just cover them. And it's not that cavalier, but he did. He
7 overdrafted frequently. Lots of times he would have three or
8 four accounts. He had a farm account. He had two personal
9 accounts. And those are basically his three accounts. He
10 maybe would have \$100,000 in one account and be overdrawn in
11 the other. And I would transfer money. And a lot of times
12 we would lend him money, as you've heard over and over. We
13 would lend him money to cover the overdrafts until the end of
14 the year or until he got money from selling property. I
15 mean, we definitely helped him cover those overdrafts on
16 many, many occasions.

17 Q. Do you think you gave him more leeway than other
18 customers?

19 A. I think we did. I would say yes, we did, because of
20 our longstanding history, his ability to -- his ability on
21 repayment, ability on earning. I mean, so we didn't feel
22 there was a risk, but, yes.

23 Q. And throughout your time dealing with him
24 professionally at the bank, fair to say the FDIC examiners
25 were performing their regular examinations?

1 A. Absolutely, as you've heard numerous times. They
2 would be in there every 12 to -- they are supposed to be in
3 there at least every 18 months, but just to be realistic,
4 every 12 to 24 months we would have an examination. Alex
5 Murdaugh being one of our largest borrowers would be looked
6 at. His loans were looked at. And I believe there were
7 actually some e-mails that have gone around that has shown,
8 hey, I need to come cover this, FDIC. We are trying to, you
9 know -- everybody wants to put the good foot forward with the
10 Government. So we were trying to make sure that we didn't
11 have a \$100,000 overdraft. Would they see it? Absolutely,
12 because they are going to see his account, but they will also
13 see it get covered. But, yes, they looked at him numerous,
14 numerous times.

15 Q. And did they ever raise any concerns about him?

16 A. Maybe before I really started dealing with him, but
17 I never recall them ever really raising any concerns. I knew
18 that one report you saw from Risk Management Group where
19 these were internal auditors downgrading him, where the bank
20 had him as a 3 to a 4. That was the only thing. But he was
21 still an acceptable credit.

22 Q. So, in fact, do you know how much money in interest
23 the bank earned from him over the years?

24 A. I did not until yesterday.

25 Q. Okay.

1 A. It was \$4 million. I knew it was a lot, though.

2 Q. So going back into September, when did you first
3 start to suspect he was involved in a criminal activity?

4 A. Well, when all of this started going on, Jeanne, as
5 you all heard, she is my sister-in-law, was the CFO or the
6 accountant for PMPED, Mark Ball, Ronnie Crosby, there were
7 several of them that came over to talk to me. And when they
8 told me they were missing fees, that's criminal activity. So
9 I would safely say then, but more so when I started doing the
10 research for them, and they would say, hey, we've got a case,
11 blah, blah, blah, and they quickly asked me not to e-mail
12 anything, to either come over in person or call, because they
13 did not want it on e-mail because that would be --

14 MS. LIMEHOUSE: Objection, Your Honor. Hearsay.

15 THE WITNESS: It's not hearsay.

16 THE COURT: Mr. Laffitte, I get to do the rulings
17 here.

18 THE WITNESS: I know. I'm sorry, sir.

19 THE COURT: Sustained.

20 BY MR. AUSTIN:

21 Q. Do you remember when the first conversation was you
22 had with them about missing funds, just the date?

23 A. No, sir, I do not remember the date.

24 Q. Okay. Do you remember the approximate time frame?

25 A. It was -- it would have to be September. I remember

1 there was so much going on during this time in September.
2 Labor Day weekend was when the accident happened. He got
3 shot. And I remember because that was when I first realized
4 that he did drugs. I never thought he did drugs. But, no, I
5 can't remember the exact date.

6 Q. And how did you realize he did drugs at that point?

7 A. You know, there was that rumor floating around --

8 MS. LIMEHOUSE: Your Honor, hearsay.

9 THE COURT: Sustained.

10 MS. LIMEHOUSE: And irrelevant.

11 THE COURT: Hold it just a minute. What you got to
12 say with that, Mr. Austin?

13 MR. AUSTIN: I believe -- well, I don't want to put
14 words in his mouth.

15 THE COURT: Here's my concern. If he has a reason
16 that affects his actions, he can testify to that.

17 MR. AUSTIN: Thank you.

18 THE COURT: But he needs to lay a foundation of his
19 basis for that. This is not offered for the truth of the
20 matter. It's offered for his state of mind. Go ahead.

21 THE WITNESS: When Mr. Murdaugh went to the hospital
22 in Savannah, he was taken there. They published -- I guess
23 Freedom of Information Act, and it was published in the paper
24 his toxicology report. Until then, I would have never, ever
25 dreamed that he would have ever done drugs.

1 Q. So you don't have any direct knowledge yourself?
2 That's just your understanding from what you saw in the
3 paper?

4 A. That's correct. I've never seen him do drugs, never
5 been around him, never anything.

6 Q. And how much would you all socialize in your adult
7 lives?

8 A. Very little. We had a neighborhood Christmas
9 between the three families on our street. We had a
10 neighborhood Christmas. We would get together. And the last
11 few years, Alex had actually quit coming. I'm not sure why.
12 But we still would get together like the week of Christmas.
13 Christmas Eve we would all get together. And I would see
14 him -- obviously, if there was a wedding, we might see each
15 other at a wedding. We might pass each other on the river or
16 something. We rarely socialized. We just ran completely
17 different circles, different age groups.

18 Q. Okay. And so you testified about starting research
19 for the law firm. What did that consist of?

20 A. They would deliver a check either a handwritten note
21 as we've seen in evidence with checks listed out, and they
22 would ask me, hey, can you research these checks, see where
23 they went. And, you know, we will pull the check, see the
24 offset, and then try to trace it on down the best we can, you
25 know. If it goes to an outside bank, that's the end of it,

1 we can't see it. But if it's a money order, if the check
2 comes in and there's a money order and then the money order
3 was cashed, we can see whether it was cashed, whether it was
4 deposited into a checking account. And that's what we were
5 doing for them, we were trying to track the money, who got
6 benefit of the money.

7 Q. And when you say you were trying to track it, would
8 you also produce documents?

9 A. Lots of documents.

10 Q. And do a lot of these documents come from your
11 personal files?

12 A. Not so many for the law firm. For SLED, ODC, FBI,
13 those, many of those came from my personal documents from
14 when I was serving as conservator. But for the most part,
15 when we were doing the research for PMPED, those were bank
16 documents that were on our image system.

17 Q. And why would they come to you for that help with
18 the research?

19 A. I had been -- you know, I was probably one of the
20 main contacts for PMPED. I mean, usually most of the lawyers
21 came to see me. And Jeanne Seckinger, their CFO, is my
22 sister-in-law. So I believe that's why.

23 Q. You mentioned providing documents to law
24 enforcement, too. Starting with SLED, when do you first hear
25 from SLED?

1 A. It was either September or October at the latest.
2 And, I mean, David Williams from SLED, I think he was out of
3 the Beaufort office, we were in frequent contact doing
4 research for them on different things and them requesting
5 documents and us providing them to them.

6 Q. And did Palmetto State hire an attorney or attorneys
7 during that time to assist with anything related to what was
8 going on with Alex and this growing storm?

9 A. We hired attorneys when -- actually, I do know when
10 I know. We hired attorneys when we were served with a
11 lawsuit or served with a potential -- I am not exactly sure
12 what you call it. We were served papers of intent to sue or
13 whatever by Bland and Richter on Gloria Satterfield's case
14 that's been talked about several times. That would actually
15 be the first time that I realized he did some criminal
16 activities.

17 Q. And do you know approximately what date that would
18 have been?

19 A. No, sir, I don't, but it was September.

20 Q. Okay. And so you said that you were in touch with
21 David Williams at SLED. Did you ultimately sit for an
22 interview with them?

23 A. I did. It was SLED and FBI. And there was a
24 videoed interview of me.

25 Q. And was that in November?

1 A. I'm not sure if it was October or November, sir.

2 Q. Did you provide them documents during that interview
3 and any other time?

4 A. I did. I provided them documents any time they
5 asked. I mean, I was happy to help them try to figure out
6 whatever I could.

7 Q. And did you have attorneys at the time?

8 A. We did.

9 Q. And when you met with SLED, the FBI, did you bring
10 an attorney with you?

11 A. I did not.

12 Q. Why not?

13 A. Didn't think I needed them. You know, I had -- I
14 knew what we had done. And so I was just providing the
15 documents. You know, there wasn't anything to hide, do
16 what -- you know, give it to them, help them fix it, whatever
17 we have to do, let's get it right.

18 Q. And have you seen a number of those documents in
19 evidence during the trial?

20 A. Most of these documents we are looking at, not all
21 of them, but a vast majority.

22 Q. Okay. And do those include documents that you
23 provided to law enforcement and to PMPED?

24 A. Yes, sir.

25 Q. All right. And you mentioned that you had met

1 with -- or you provided documents to ODC. Did you ultimately
2 meet with them as well?

3 A. I did.

4 Q. Let me back up real quick. What is ODC?

5 A. Office of Disciplinary Counsel. They are -- my
6 understanding is that they are the FDIC for the lawyers.
7 They are the ones that, you know, if you overdraw your trust
8 account at a bank, we have to report it. That's who we
9 report it to. And they are, I guess, the governing body if
10 they have to be sanctioned, pull a law license. That's who
11 handles it, to my understanding. And I sat for an interview
12 with them over three days back in this past summer, June or
13 July.

14 Q. Okay. And you are not a lawyer, though, right?

15 A. No, sir.

16 Q. So why would you meet with Office of Disciplinary
17 Counsel?

18 A. You want to help them. You want to help get to the
19 bottom of what took place, why did it take place, how did it
20 take place so that it doesn't happen again. And I mean, I
21 had no obligations to sit with them. You know, I wanted to
22 do what was right and to try to tell them what took place and
23 see if I could help them in any way.

24 Q. All right. And did you end up meeting with the U.S.
25 Attorney's Office and the Attorney General's Office?

1 MS. LIMEHOUSE: Your Honor, may we approach?

2 THE COURT: You may.

3 (Whereupon, a bench conference takes place off the
4 record.)

5 THE COURT: Yes, ma'am.

6 MS. LIMEHOUSE: We've been very clear in our filings
7 that he lied to us during his interview. And if they intend
8 to use his coming and meeting to us to his benefit, we will
9 impeach him with the lies he told us during the proffer.

10 THE COURT: Sure, you will. That's your -- that's
11 entirely your right.

12 (Whereupon, the bench conference ends.)

13 THE COURT: Mr. Austin, please continue.

14 BY MR. AUSTIN:

15 Q. So you met with the U.S. Attorney's Office and AG's
16 Office?

17 A. I did.

18 Q. Where did you meet with them?

19 A. In Columbia at -- I'm going to assume that was the
20 U.S. Attorney's Office. I'm really not sure. But it was one
21 of their offices.

22 Q. And were there agents from SLED and FBI there as
23 well?

24 A. Yes, sir, there were.

25 Q. All right. And when did that take place?

1 A. That was in February of '21, I believe. Might have
2 been March, but February, March, April, right -- first part
3 of '21.

4 Q. And did you sign any documents or agreements with
5 the U.S. Attorney's Office and the AG's Office?

6 A. It was a proffer -- my understanding, it was a
7 proffer agreement. And I signed whatever that document was.

8 Q. What was your understanding of your obligations
9 under that agreement?

10 A. I was to tell the truth. And that's pretty much it,
11 yeah.

12 Q. And to this date, have either the AG's Office or
13 U.S. Attorney's Office moved to hold you in breach of those
14 agreements?

15 MS. LIMEHOUSE: Your Honor --

16 THE COURT: I sustain that objection.

17 BY MR. AUSTIN:

18 Q. All right. So you talked with those offices then.
19 You said you had three meetings with ODC?

20 A. Three days of meetings, yes.

21 Q. And did you also participate in a civil deposition
22 after -- I guess during 2022?

23 A. I did. I was being deposed by the estate -- the
24 lawsuit on the estate of Mallory Beach, which was the boat
25 wreck that Alex Murdaugh's son was involved in. And I was

1 deposed by -- I'm not sure which lawyer, but one of the
2 lawyers involved with that lawsuit. There were a lot of
3 lawyers in the room that day.

4 Q. You didn't assert your Fifth Amendment right?

5 A. I did not.

6 Q. Seems like you are giving a lot of statements. Why
7 did you want to do that?

8 A. I don't feel like I have anything to hide. I mean,
9 I made some mistakes, which we will go through in great
10 detail today. You know, but I didn't feel like there was --
11 I definitely, without a doubt, thought I had civil liability.
12 And so the best thing you can do when you make mistakes,
13 stand up, own up, and fix it.

14 Q. And is it your testimony that you did not know Alex
15 Murdaugh was stealing from anybody?

16 A. Absolutely did not know he was stealing from anybody
17 until we did research, no.

18 Q. Okay. So let's get into some of these
19 conservatorships since it's such a big part of the case. How
20 did you come to be involved in any of these conservatorships?

21 A. I believe the first conservatorship that I ever
22 dealt with was the Plyler family. Let's not just say the
23 girls, because there was the PR with Angela and Justin and
24 then there were the two Plyler girls, which I saw in court.
25 He contacted me, asked me, said, hey, we've got this big

1 case, we need to get a conservator for the girls and PR to
2 handle the -- work with on the case, can you do it? And you
3 know, I had no idea whether we could do that. I never been
4 approached by it. So I looked in the handbook, or policy
5 book or whatever, and it says that we would be discouraged
6 from doing, but didn't say we couldn't do it. So then I
7 walked back to my father's office, who is in the same
8 building as us. And I asked him, I said, can we do this?
9 And I got permission to do it. And so that started it.

10 Q. And was it your understanding that permission was
11 for you to do it as part of your role as a banker or was it
12 outside that role?

13 A. It was outside of the bank, absolutely not part of
14 the bank. The bank could not be a fiduciary.

15 Q. All right. Why not?

16 A. We weren't registered. Our trust department, we
17 didn't have a trust department registered as a fiduciary with
18 the Board, South Carolina State Board of Financial
19 Institutions.

20 Q. So it's your understanding that other banks are
21 registered and can serve as fiduciaries?

22 A. I would think there are some. I wouldn't think
23 there are a lot.

24 Q. But Palmetto State isn't it?

25 A. No, sir.

1 Q. In your mind when you were serving as conservator or
2 PR, were you doing it in your role as a banker or something
3 outside of that role?

4 A. I was doing it as a role of an individual to help my
5 friend, my customer.

6 Q. Okay. And what in your understanding your general
7 obligations to be as conservator or PR?

8 A. Generally, very generally, I was to get the money
9 from the settlement, the estate or whatever, and protect that
10 money and take care of it, hopefully and make it grow. But
11 that didn't always -- was not always the case, depending on
12 the expenses that you had, whether it grew or not. And when
13 the people -- the minors turned 18 or whatever happened, then
14 you disburse all the money back to them, to the family.

15 Q. Okay. You mentioned people turning 18. Is that the
16 case with the Plyler sisters?

17 A. That's correct.

18 Q. And can you take us through the process of becoming
19 a conservator? If we can pull up Government's Exhibit 137.
20 So after you got permission from your father, what happened
21 after that?

22 A. I spoke to Alex Murdaugh and said, you know, hey, I
23 could be the conservator. And he said, all right. And we
24 went from there. And he said, you know, they file the
25 petition for us. I mean, just like you heard from Tiffany,

1 we don't file the petition, the lawyers, the law firm does.

2 Q. I'm sorry. Are you done?

3 A. Yes, sir.

4 Q. So when you received -- tell me about signing this
5 document. Do you remember signing it?

6 A. I don't remember signing it, but I did do it.

7 Q. Okay. What year was it that this would have been
8 presented to you?

9 A. Yes, sir, this one would have been.

10 Q. What year would you have received this?

11 A. This is Hannah Plyler. That would have been
12 somewhere '06, '07.

13 Q. Okay. And up here you are listed as applicant or
14 petitioner. Was it your understanding at the time that you
15 were the person applying to the probate court?

16 A. No, sir. I was the person that was being appointed.
17 I wasn't the one that was doing the petition.

18 Q. Okay. You had never seen this document before, had
19 you?

20 A. Not until I signed it, no, sir, or until the first
21 one.

22 Q. All right. And what do you remember about how Alex
23 would bring documents like this to you for signature?

24 A. He would walk in, make a big to-do. You know, just
25 like any other document, he would have it flipped open and,

1 you know, hey, I need you to sign right here, this is
2 such-and-such. And you would sign what he said, because, you
3 know, he's your attorney or the attorney in the case and he's
4 representing these people and you are trying to help him.
5 And he just marched -- it's much like if you had come into me
6 for a mortgage loan. I'm going to say, hey, sir, this loan
7 is set up just as we discussed for 60 months, payments are
8 such-and-such, you know, and give you the basics. And then
9 say, I need you to sign here, here, and here. And typically,
10 most people are not going to sit there and read every page or
11 look through every page. They would just glance at it.

12 Q. And did you go through every bit of information in
13 this form when you received it?

14 A. No, because I wouldn't know all of this information
15 on them at that time. But --

16 Q. Did you know the Plyler girls or their parents prior
17 to working on their case?

18 A. No, sir, I did not.

19 Q. All right. And so let's go to, I believe, page 3.
20 All right. And these are your signatures here?

21 A. They are.

22 Q. I don't know why I'm circling them. I think you can
23 see them. Why would you sign in these places?

24 A. That's where I was told to, honestly.

25 Q. And why would you just sign it without knowing for

1 sure?

2 A. It's part of the trust. You know, you trust that
3 somebody is doing it right. Just like if I was doing a loan,
4 you would trust me that I'm doing the loan right.

5 Q. Okay. Once you signed it, what happened after that?

6 A. They would take it and file it with the probate
7 court, or I assume it all went through probate court for
8 the -- to have it petitioned. And I would be appointed
9 conservator and then we would start.

10 Q. All right. And once you are up and running as
11 conservator, were you involved in any of the legal
12 proceedings?

13 A. I was. On the Plylers, you know, I actually came
14 down here several times, you know, for mediations and
15 different things. And that was actually the first time I
16 ever met them. They were very young. We were down here in
17 mediation way before settlement.

18 Q. Okay. And were you in touch with their father?

19 A. He would call me every so often, more so after the
20 settlement, but I did definitely talk -- touch base with him.

21 Q. And without getting too deep into it, was he a
22 steady source of support for the daughters, from what you
23 could tell?

24 A. No. When he called me, he was wanting money.

25 Q. And, again, what was your understanding of what your

1 job was with the conservatorship funds?

2 A. I was to protect them until they were 18, and have
3 them and, you know, invest them, put them in deposits, just,
4 you know, and I had to pay their bills and living expenses
5 and all of that.

6 Q. And the money that came into the conservatorship,
7 did you keep it all at Palmetto State Bank?

8 A. I didn't. I split it up between the different --
9 several different banks, BB&T, South Carolina Bank and Trust,
10 which is now SouthState, well, I guess BB&T is now Truist,
11 and Bank of Walterboro, which is now Bank of the Lowcountry,
12 and Palmetto State Bank.

13 Q. Why did you do that?

14 A. Because the FDIC, at that time, the insurance limits
15 were \$100,000. So we were trying to watch that \$100,000
16 limit.

17 Q. And is that all to protect the money?

18 A. Yes, sir.

19 Q. So at the time this conservatorship started and the
20 money comes into Palmetto State, what kind of account was it
21 put in?

22 A. It was originally put in -- I guess when it first
23 came in, it probably went into their checking account. I
24 would have to go back to look at the records to see that.
25 But we put it into either CDs, money markets, or saving

1 accounts. Those are the only three options that we have at
2 Palmetto State Bank.

3 Q. And I believe you became, according to this
4 document, conservator in around the end of 2006. And when
5 was the first loan that you took out of the account?

6 A. July something, 2011.

7 Q. Okay. And you are talking about purchasing a
8 certificate of deposit. Did you purchase one for the
9 Plylers?

10 A. Yes, sir, I did.

11 Q. What were the rates that CDs were getting at that
12 point?

13 A. When we first got the money, the case was not
14 settled until 2009. And when we first got the money, CDs,
15 some were one eight, somewhere right in there, I believe is
16 what they were.

17 Q. 1.8 percent?

18 A. Yes, sir. And we were in a falling rate environment
19 at that time. We were -- the economy -- this is 2009. As
20 y'all well remember what happened between -- with the
21 recession or whatever you want to call the Great Correction.
22 And so we actually went from there into one of the lowest --
23 longest running low-rate environments ever in the country.

24 Q. Okay. And so when -- how did you end up taking the
25 loans out? Can you just walk through? First you thought

1 about it and how did it come to your attention that that's a
2 possibility?

3 A. Mr. Murdaugh came into my office or spoke to me one
4 day about it. And he said, you know, I was wondering about
5 getting a loan. And he asked me. And I said, well, I just
6 don't know, I would have to go over to the judge. When I say
7 the judge, the probate judge. She was over between our
8 offices. And so, you know, I told him I would get back in
9 touch with him. And I walked over and spoke to the judge.

10 MS. LIMEHOUSE: Objection, Your Honor. Hearsay.

11 THE COURT: You can't say what the judge said.

12 BY MR. AUSTIN:

13 Q. Based on your conversation with her, did you believe
14 that you could take out a loan from the conservatorship
15 account?

16 A. Absolutely.

17 MS. LIMEHOUSE: Objection, Your Honor. Hearsay.

18 THE COURT: That's violating my order.

19 MR. AUSTIN: Sorry.

20 THE COURT: You know, if you want to have the
21 testimony of a person, you call that witness. I sustain the
22 objection.

23 BY MR. AUSTIN:

24 Q. What did you do based on your conversation with
25 Judge Odom? I mean, let me back up there. What is the name

1 of the probate judge in Hampton County?

2 A. Sheila Odom.

3 Q. And you said you walked over and spoke with her.

4 What did you do next?

5 MS. LIMEHOUSE: Objection, Your Honor. He's trying
6 to do the same thing.

7 THE COURT: You know, don't try to skirt my ruling.

8 MR. AUSTIN: I am not, Your Honor.

9 THE COURT: You can call the witness. You can call
10 any witness you need. But you can't get in testimony of
11 people by hearsay. I sustain the objection. Move on.

12 BY MR. AUSTIN:

13 Q. So you started taking loans out, correct?

14 A. That's correct.

15 Q. And you don't deny that?

16 A. No, sir.

17 Q. And do you deny any of the documents you've seen in
18 this case being accurate and authentic documents?

19 A. None that I've seen so far.

20 Q. And you are not denying that you ever engaged in any
21 of these transactions you are accused engaging in?

22 A. Hm-mm, no, sir.

23 Q. But you are saying that you just didn't steal or try
24 to steal or try to help steal?

25 A. Did not know in any way that I was helping

1 facilitate the theft by Alex Murdaugh.

2 Q. Okay. So when Alex came to you to talk about the
3 loan, did he get a loan first or did you get a loan first?

4 A. I did the first one. One of the reasons behind
5 that, you know, he asked me about it, and then never followed
6 up. So I waited. I want to say it might have even been like
7 six months before he got one. I'm not sure. It's on the
8 sheets.

9 Q. And how do you view or how did you view the loan in
10 this situation?

11 A. It was an investment for the girls. You know, we
12 were -- I was always trying to make them money. And I would
13 do -- like, I could speak for what I was doing. I was -- I
14 knew I was going to borrow money. So I borrowed it from
15 them. I paid them a higher rate than -- I always tried to at
16 least make sure it was twice what they would have earned
17 anywhere else. And I wanted to make sure that, you know,
18 they were earning money.

19 Q. And what kind of rate did you pick for their --
20 these loans?

21 A. I paid anywhere, I want to say, 3 1/4 percent to 1
22 1/2 percent.

23 Q. At the time you said, for CDs, was around 1.4 to
24 1.8?

25 A. Correct.

1 Q. So, effectively, you doubled it?

2 A. Yes, sir.

3 Q. All right. And why would you think that that would
4 be a suitable risk to take with these girls' money?

5 A. Well, I wasn't in default, one. I'm not sure as a
6 bank officer that I could default on a loan. I mean, let's
7 qualify that. Things happen. You get hit by a bus, you've
8 got a problem. But they wouldn't have had a problem because
9 it was memorialized everywhere. I mean, there was no
10 shortages of where it was memorialized. But I also had it
11 secured, like you've heard multiple times, 2,741 or 2,471
12 shares of Palmetto State Bank stock.

13 Q. Did you document all of this with the probate court
14 in your yearly accounting?

15 A. Yes, sir, I did. It was in the annual accounting.

16 Q. Okay. And why did you do that?

17 A. Wasn't anything to hide. It was just, you know, she
18 knew what was going on with the thing. So, I mean, we put
19 it -- I am not trying to hide anything. This is the
20 conservator's money. You have to account for it and account
21 for it accurately. So that's -- I mean, it's in there. It's
22 on the -- you would see it on the annual accountings. You
23 would see it listed in annual income that would show
24 interest. And it clearly would say loan interest or interest
25 on loans. And then you would have expenses. And then I

1 would have assets. And it would clearly show loans if there
2 were any out there.

3 Q. But wasn't there an order in place saying you had to
4 run any expenditures past the probate court?

5 A. There was.

6 Q. Did you do that?

7 A. Absolutely.

8 Q. Did you do that with the loans?

9 A. I did not.

10 Q. Why not?

11 A. Because it's not an expenditure. It's an
12 investment. As you heard Tiffany say earlier, Tiffany
13 Provence say earlier, you know, an expenditure, that money is
14 gone, it's not coming back. These loans were coming back,
15 either in the form of payments or payoffs.

16 Q. Okay. And how does that documentation that you
17 filed with the probate court compare to documents that you
18 would see on file with the bank in similar loans?

19 A. They are very similar.

20 Q. And how so?

21 A. I mean, you have a promissory note that is signed by
22 the borrower. I do know there are several that we could
23 not -- that I could not find. I don't know where they are.
24 I wish we could find them. When we were doing the research,
25 I found them, and found that we had several that we couldn't

1 find. But we also -- regardless of that, we had it
2 documented on a spreadsheet that was filed with the probate
3 court. And we also had it listed out through checking
4 accounts and on the asset, the balance sheet.

5 Q. And did you save copies of these documents for
6 yourself as well?

7 A. I did. Every year when I did my annual accounting,
8 I made three copies, one for the conservatee, one for the
9 probate court, and one for myself.

10 Q. And when the girls turned 18, did you provide these
11 documents to them?

12 A. I did. I provided all the documents. It was a box
13 of documents. I mean, there was a big binder for each year.

14 Q. And did you set up annuities for the girls as well?

15 A. I did. We set up a structured settlement when
16 they -- when we were first going through mediation, we wanted
17 to put -- we wanted to protect the money. And we set it
18 up -- a lot of the money in a structured settlement so they
19 could have income over their -- for the rest of their life,
20 which they do. And that was actually the first time I had
21 ever done, on the Plylers, was the first time I ever had to
22 go through and do a structure. And just like she -- we
23 talked about earlier this morning about having to look at the
24 different types of insurance, when you want payments to start
25 and different options.

1 Q. Okay. Setting up an annuity by itself, would you
2 say that that is a decent amount of work, or no?

3 A. It's not a lot of work. But, you know, you have to
4 look at it. You have to read it and study it and think about
5 what you are trying to do or what your goal is with the
6 money, is what you are trying to figure out.

7 Q. Okay. So let's talk about loans to Alex Murdaugh.

8 A. Yes, sir.

9 Q. There's been a lot of testimony about him receiving
10 unsecured loans at a higher rate than what you gave yourself.
11 Can you explain that for the jury, please?

12 A. Simply, they were unsecured. They were going to be
13 at a higher rate than what a secured loan would be.

14 Q. And is it common for the bank to make unsecured
15 loans?

16 A. As the bank, we made them all the time, unsecured,
17 partially secured, and secured. I mean, that's what we do.

18 Q. What about in amounts as much as you gave to Alex
19 here?

20 A. Absolutely.

21 MR. AUSTIN: Will you pull up Government's Exhibit
22 130.

23 BY MR. AUSTIN:

24 Q. All right. Now, are these -- can you explain, what
25 is this document?

1 A. This is a spreadsheet that I started so we would
2 have it. If you see -- if I touch the screen, does it write
3 on it?

4 Q. I think so. I'm not sure.

5 A. It does. Up here is the loan number. That
6 corresponds and, really, original corresponds with the date
7 the loan was made. And this shows how the loan works. This
8 loan shows the payoff. These numbers down here just shows
9 the principal. When I say "down here," down here, shows the
10 principal and interest. And each loan should have really a
11 little number, that way you can follow it down.

12 Q. And how would Alex go about paying back these loans?

13 A. He would bring in a check. There were different
14 ways. But, you know, now that I see, now that I've done the
15 research, he paid a lot of them back with stolen funds.

16 Q. And at the time, did you have any idea that that's
17 how he was paying them back?

18 A. Absolutely not.

19 Q. Would you have used stolen funds to pay them back?

20 A. No, sir.

21 Q. And how did you go about paying off the loans that
22 you made personally?

23 A. I used several different ways. I either paid -- I
24 didn't pay a lot out of my pocket, but I did pay some. When
25 I say "out of my pocket," out of my normal work income from

1 Palmetto State Bank at the time. But I would also -- any of
2 my fees that I earned as PR or conservator, I used that as
3 fees to pay the loans down. And then at the end, I borrowed
4 the money from a -- I refinanced it through Mr. Parker and
5 paid it off.

6 Q. When you got a loan from Mr. Parker, why didn't you
7 just get a loan from the bank?

8 A. Well, I couldn't borrow from the bank.

9 Q. Why not?

10 A. It's called RegO.

11 THE COURT REPORTER: I'm sorry. It's called what?

12 A. Regulation O. We could only borrow for very limited
13 things, primary residence, and I think you can borrow to send
14 your kids to college or something like that, but that's about
15 it.

16 Q. Why didn't you go to another bank?

17 A. I would rather pay somebody that banks with me and
18 supports me. I would rather support them than versus
19 somebody else.

20 MR. AUSTIN: And let's pull up Government's Exhibit
21 129.

22 BY MR. AUSTIN:

23 Q. And what information would you provide to the court
24 each year, the probate court?

25 A. This is just one of the pages. This would be

1 provided every year, because this is a great summary sheet.
2 Just like Tiffany Provence said, they are busy. I mean, all
3 of us are busy. You want just a summary. This is a quick,
4 fast, summary of everything. Shows all your income up here,
5 all your expenses. This number right there is the beginning
6 balance that would have been, let's say, '11, 2011, shows
7 income would have been balance of these numbers right there.
8 That's the income, which is annuity and the interest and any
9 expenses. It should total up to \$450,000. Then you take
10 your assets, which are your CDs, your DDAs, your savings,
11 your money markets, your loans, your other investments, which
12 we didn't have any others, other than loans. And those
13 numbers are to total 5 -- \$450,594.19.

14 Q. Let's go up to the income piece of it. Can you
15 explain what those differing items are there?

16 A. These different items here are SCB&T savings
17 account. That's money that was in a savings that earned 34
18 cents in interest in a year. The money market account earned
19 74 cents. I want to qualify those. Those were not -- we
20 didn't think they would earn a lot. We had a money market
21 and a savings account so I could transfer money to them.
22 Those were basically wash accounts that would -- I would --
23 when the money market account would get low, I would fund it.
24 And we would go through -- that was how I transferred money
25 to them for their allowances or expenses that they needed.

1 Then we had interest on the Bank of Walterboro CD,
2 certificate of deposit at Palmetto State, money market at
3 Palmetto State. You had annuity payment, that's from the
4 structured settlement, and then the interest that was paid
5 during 2011 on loans.

6 Q. All right. So the loans that you started making in
7 2011 made 1,300, thereabouts, for the girls?

8 A. That was what was paid during the year. They would
9 have accrued more than that.

10 Q. Sure. Zoom out, please. And over here, it says
11 beginning balance. So you -- you start out the year 371,000
12 and change, and ended up at 463,000; is that correct?

13 A. That's correct.

14 Q. Is that consistent with the types of gains they got
15 over the course of your time as conservator?

16 A. I never put it out on a spreadsheet to see, but I
17 will say that's probably right. This is Hannah's. She
18 started out at around 290,000 when I first got -- that amount
19 when we first got the settlement. And I want to say it was
20 somewhere in the neighborhood of 650 on the last year.

21 Q. So it went from 371 to 650?

22 A. You also have to realize that we had annuities of 84
23 and a half -- \$84,500 each year coming in.

24 Q. Okay. And how much do -- do you know how much
25 Hannah receives per year, or per month I should say, with her

1 annuities now?

2 A. Just over \$7,000 a month. There's a statement
3 somewhere in these records.

4 Q. What about Alania?

5 A. Hers, she was hurt worse. So more money went to
6 her. And I want to say hers is around 9- or 10,000 a month.

7 Q. Okay. You said she was hurt worse in the car
8 accident?

9 A. In the car accident. So she had more damages
10 awarded to her.

11 MR. AUSTIN: Zoom out, please.

12 BY MR. AUSTIN:

13 Q. Okay. And then if we go down to this to the assets,
14 can you explain items there?

15 A. December 31st, 2011, we had a Bank of Walterboro CD,
16 54,000. She had nineteen hundred and thirty-five thousand
17 dollars (sic) in a DDA account. We tried to keep that as low
18 as possible because that was a noninterest -- just normal
19 DDAs are noninterest-bearing. The money market account was
20 the bulk. And you see South Carolina Bank and Trust savings
21 account with \$128,000 money market, and then \$225,000 in
22 loans.

23 Q. And what is that \$225,000 figure? What does that
24 reflect?

25 A. Those reflect my loan.

1 Q. The personal loan?

2 A. Yes, sir.

3 Q. Why would you list that in assets?

4 A. The loan is an investment. It's an asset of the
5 conservatorship.

6 Q. And as a banker, or I guess, for a bank, how do they
7 make money, bank like Palmetto State Bank?

8 A. We loan money at a higher rate than what we are
9 paying.

10 Q. Okay. And you were a loan officer throughout your
11 time there?

12 A. Yes, sir.

13 MR. AUSTIN: Let's go to Government's Exhibit 126.
14 I'm sorry. Can we go back to 129? I missed one part.

15 BY MR. AUSTIN:

16 Q. All right. And let's go to the left side. Can you
17 talk through some of these expenses?

18 A. Sure. The top line, obviously, as you see, is
19 allowance. This was the conservator fee, the 2,058.22, that
20 was done for 2010. And, you know, we had different fees,
21 different -- not fees, different expenses throughout the
22 year, cell phone, bank fees, which should have been refunded,
23 clothes, Busch Gardens, that was where she went with a trip
24 down in Florida, Christmas expenses.

25 We were talking about her dad earlier. This is

1 where we had to pay for a well at his house to get it fixed,
2 cell phone claim, new cell phone, I mean, just different
3 things. So total expenses for Hannah during that year were
4 \$12,809.35.

5 Q. Okay. And you said you set up an allowance. Is
6 that 5,700 there?

7 A. That's right. It was \$150 a week, I believe.

8 Q. And would you say you did a lot of work for the
9 Plyler sisters?

10 A. I did. You know, it's a lot -- there was a lot of
11 work involved with them just for the fact they were young
12 girls. And I actually learned something in testimony this
13 week. I never knew she was living out of her car. I wish
14 she had called me and told me that. We would have fixed
15 that.

16 Q. When you say she -- I don't mean to interrupt you.
17 Who are you talking about?

18 A. When Alania said she was living in her car, I mean,
19 that was shocking to me. I absolutely knew they bounced
20 around between family members. They had a tough life, a
21 tough upbringing. And they've really done a great job
22 raising themselves. But, yes, we would -- with them, it was
23 a lot of work just because, you know, they are young
24 children. I mean, once you are over 18, you can go do a lot
25 of things, you can go get a cell phone. When you are younger

1 than 18, you cannot go sign a contract. So we would have to
2 go get cell phones. We would have to go get cars, insurance,
3 all kinds of things, because they really did not have much
4 family support. So I did a lot more than I would have with
5 somebody with a lot of family support.

6 Q. Now, let's go to Government's Exhibit 126. All
7 right. Let's do the same thing we did with 2011 accounting.
8 We don't have to go through each line. On the income side,
9 see interest and loans, \$19,000. What is that?

10 A. That was the interest paid during that year. This
11 is 2014 and just a piece of 2015, depending on -- because she
12 turned 18 and we had to close out. So those are the
13 interests that we paid that we, myself and Alex Murdaugh,
14 paid on those loans during that year. We have to account for
15 it. And that's what that was at closeout.

16 One thing, if you look on the right side over here,
17 you will see all of these are zero. It's because we have no
18 more. We are closing the conservatorship. The
19 conservatorships assets have to go to zero. That's why you
20 see the expenses over here. You see wire transfer to Hannah
21 and then a money order for Hannah. And that's what those are
22 right there.

23 Q. Okay. Listed as expenses, but is that money that
24 you are transferring to them?

25 A. Yes, sir.

1 Q. And why were you transferring that money to them?

2 A. She was 18.

3 Q. All right. And -- but where do those figures come
4 from?

5 A. You take your beginning balance -- I mean, you have
6 to go through up there and all of that. This is a little
7 confusing. You take in the income, beginning balance,
8 income, minus your expenses, and then come up with it. That
9 was what it took to zero all of the accounts.

10 Q. And the end balance was 731 -- 731,000?

11 A. \$651,956, that was including all of her expenses,
12 yes. You can see it was a pretty expensive year. We had to
13 pay taxes to close out conservator fees, car. So it was a
14 pretty expensive year.

15 Q. Okay. I see the allowance at the top of \$10,325.
16 Tell us about that.

17 A. I would really have to see a breakdown. Remember I
18 said it was a little bit longer than one year. 52 weeks at
19 150 is 5,200 -- about 7,000 roughly. I am not really great
20 without a calculator. But if you figure out, that's how it
21 came up. I'm just assuming it was 150 a week.

22 Q. So that's what you had set up for a weekly
23 allowance?

24 A. That's right, automatically go every week.

25 Q. And then what about all these other expenses, where

1 would that money come from?

2 A. I would have to go and get -- I had -- with the
3 Plylers, I was going back and forth over to the probate judge
4 all the time. So we actually set up a \$2,000-a-month normal
5 living expense, where I could spend it without having to get
6 more -- higher approval. And so other than that, as long as,
7 you know, it was something normal, I could just go over there
8 and I didn't have to get all the approvals. Other than that,
9 we've got those petition for expenditures to get things that
10 were, like, special, like a car. You know, I couldn't
11 authorize that.

12 And, you know, Christmas, we would talk to them
13 about the conservator fees. Those were approved by the
14 probate judge. And, you know, we would go through. And I'm
15 next door to the probate judge, even if we didn't -- we were
16 in close contact.

17 Q. Okay. So tell me more about the car. Did you buy a
18 car for Alania besides this one?

19 A. This is Hannah.

20 Q. I'm sorry. I meant Hannah.

21 A. No. I believe this is the only car. And I did buy
22 two for Alania.

23 Q. So when did you buy those cars?

24 A. The first car I bought her was mid-February 2009. I
25 want to say she was -- just turned 16 and she could actually

1 get herself to school. February, somewhere right in there, I
2 went to the judge. And we knew she was having trouble, as
3 you heard me say earlier. I knew she was bouncing around.
4 She was having trouble getting, you know, to school. And so
5 I went to judge, she was 16, so she would be able to drive to
6 school. So I got permission to go look for a car. And, you
7 know, the judge and I would discuss. And I thought that it
8 would be in the best interest to buy a good used car, was
9 what we did. Yes. She had the money to buy a new car. But
10 as most of us realize, most people get in a wreck as new car
11 drivers, unfortunately. And so we didn't want to buy a new
12 car. But when we bought the car in 2009, February of 2009,
13 we had not settled in the case. So Alania Plyler's
14 conservatorship did not have any money. So the bank,
15 Palmetto State Bank, did a loan for the conservatorship.

16 March, mid-March, 1st of March, somewhere right in
17 there we got all the settlements. And she actually received
18 about -- well, she received I think almost \$5,000,000, about
19 4.7 million, but 690,000 or somewhere right in that
20 neighborhood came into the conservatorship loans paid off
21 immediately. So she paid about three weeks of interest. But
22 anyhow, that's enough story.

23 Back on the car. But she kept that car for a couple
24 of months. And, unfortunately, was in a wreck, thankfully
25 unhurt. Totaled the car. And then we ended up buying her a

1 2009 Malibu.

2 Q. Okay. And you said she paid two or three weeks of
3 interest. How much do you think that was; do you know?

4 A. It's probably about -- the loan, I want to say, was
5 somewhere around 31,000, this is going off memory; \$100, 150
6 at the most.

7 Q. And you testified about Alania living in her car at
8 one point. Did you help her at some point purchase a house?

9 A. I did.

10 Q. And can you take us through that process?

11 A. I will. I'm still shocked that I've learned that
12 this week, because we would have made some type of
13 arrangement. I mean, I know it's hard when somebody is
14 living 100 miles from you, which is what we lived apart
15 roughly. But once she came to me and we were having -- like
16 I said, I knew she was bouncing back and forth. I went to --
17 I spoke with the judge about getting permission to buy a
18 house. Got permission. Got a budget. And I don't remember
19 what the budget was now, but let's just say \$150,000. And so
20 we started looking for houses. No, she started looking for
21 houses. And she would send me different things. And I would
22 go back and forth over to probate and look at them. And the
23 biggest thing that I was worried about with her buying a
24 house was resale. She's 17 years old. She's not going to
25 live in this house forever, I would highly doubt and so --

1 especially not with the budget she had. So I was real
2 concerned about resale. So, you know, she would find a
3 house, we would look at it. And on one of the houses, I
4 don't remember where it was, but we liked it. She liked it.
5 So, personally, when I say "we liked it," I really don't have
6 anything in it other than I'm buying it. I am not living
7 there. I am not -- you know, I will go up there and see it,
8 but that's the extent of it. But once she picked it out and
9 we got a rough approval for it, I got a home inspection on
10 one of them, and it failed because it had a gas leak. The
11 people wouldn't fix the gas leak from under the house. So we
12 backed out of the contract. And then we ended up buying the
13 house that she bought. And I want to say it was like 140,
14 160,000.

15 Q. What were some of the factors you looked for in
16 helping her pick a house?

17 A. I wanted something that she would be able to get out
18 of without absolutely taking a bath and lose a lot of money
19 when she resells it. You know, except in Charleston, you
20 need three bedrooms, two baths minimum. It was just hard to
21 sell if you have a three-bedroom and a one-bath house. It's
22 a pretty hard sale. You look at kitchens, is the kitchen
23 updated? You don't want an outdated kitchen. But other
24 than -- that was my thought, how's she going to get out of
25 this when she's 21, 22, 23, or whenever she decides to sell

1 this house, because she was going to have the funds that she
2 could buy a much nicer house or whatever she wanted when she
3 turned 18.

4 Q. Why did you care about trying to get her set up with
5 a house like that if she could sell?

6 A. I wouldn't want her to lose money. You know, she
7 was -- first time I had ever done this. I mean, you care
8 about them. I mean, you are not really close to them,
9 because you don't see them. You are not like your next-door
10 neighborhood or your good buddy that you see all of the time,
11 but I talked to her regularly. And, you know, you are
12 helping them and you want to see them succeed and not waste
13 money and do whatever.

14 Q. And what happened -- well, I guess, did you think
15 you were acting in their best interest in purchasing the
16 house?

17 A. I do.

18 Q. And everything else you did with the loans and all
19 that?

20 A. I do. Can I qualify that?

21 Q. Sure.

22 A. I do think I was acting in the best interest with
23 the loans; however, now I wish I hadn't done mine just for
24 optics. And that's the only reason.

25 Q. You made the girls money or you made Hannah money

1 from your loans?

2 A. That's right.

3 Q. And for Alex?

4 A. That's right.

5 Q. You never thought you were paying any of them off
6 with stolen funds?

7 A. Absolutely not.

8 Q. What happened when Alania turned 18?

9 A. When Alania turned 18, we went -- obviously, we were
10 closing out the accounts. And I got her and actually went
11 and met with her up at -- I'm not sure when we absolutely
12 closed everything out. But I met with her up in Harbison at
13 the SouthState Bank. I got her introduced to a lady up there
14 that I didn't know, but I wanted her to have a bank, informal
15 relationship with a bank. So I met with her. And I took her
16 all of her documents. They were laid out. And I explained
17 to her what her income would be from the annuity. And, you
18 know, it was very clear documents on what she had and what
19 she didn't have.

20 Q. Okay. And up until that point, did she know how
21 much money was in any of her accounts?

22 A. She did not. We had discussed this between myself,
23 the attorney, and the judge, that we didn't want them to know
24 exactly what they had at that time. Her dad knew. He was
25 well aware of what they had. But we didn't want to tell them

1 because, I mean, they were 11 and 15 at the time when it
2 started. I mean, just, you know, they would have thought it
3 was just like an endless supply of -- and we made a decision
4 not to tell them at that time.

5 Q. So you didn't make that decision unilaterally?

6 A. No, no, sir.

7 Q. Okay. And did you file any of your accounting?

8 A. Yes, sir.

9 Q. Have you stayed in touch with either of the Plyler
10 girls since then?

11 A. I would speak to Alania every once in a while. When
12 I say every once in a while, every couple of years now. I
13 spoke to her right -- I don't know whether she called me or I
14 called her right after the shooting with Alex. And, you
15 know, we talked about it. And she said, I can't believe it,
16 you know, just normal conversation. Because we were both in
17 shock. And -- but I would touch base with her every so
18 often. For years I was getting something from Hannah's
19 annuity every end of the year, and I would have to call and
20 get Hannah's address and write it down and mail it to her.

21 Q. You are talking about money or just documents?

22 A. No, it was just a document. I don't know what it
23 was. I didn't open it because it was not mine at that point.

24 Q. Okay. Pull up Defendant's Exhibit 71. All right.
25 Do you recognize this document?

1 A. I do.

2 Q. Okay. And who's Angela Plyler?

3 A. That was Hannah and Alania Plyler's mother.

4 Q. And --

5 THE COURT: Is this going to take a little while?
6 We are getting towards the lunchtime. If it's going to be
7 brief, I would like to finish it.

8 MR. AUSTIN: I can finish this document real quickly
9 and then we can move on and take a break.

10 BY MR. AUSTIN:

11 Q. This is a Certificate of Fairness and
12 Reasonableness, settlement wrongful death and survival
13 action. And the important part right here, so it says: The
14 beneficiaries, as represented by the named party herein,
15 Russell Laffitte, is fair, reasonable, and in the best
16 interest of the estate of Angela Lynn Plyler.

17 So were you representing -- are you that
18 representative that's referenced in this statement?

19 A. Yeah. They are representing that I would be a fair
20 and reasonable -- you know, I would be a good representative
21 for Angela.

22 Q. And who signed down below?

23 A. Ronnie, Ronnie Crosby is here. That's Alex
24 Murdaugh's signature, though it looks like Ronnie Crosby's
25 name line.

1 Q. And -- but were Ronnie Crosby and Alex Murdaugh
2 involved in that case?

3 A. They were.

4 Q. And when you became conservator or PR here, did you
5 believe that they were your attorneys?

6 A. I did.

7 Q. And we've talked about Hannah's conservatorship.
8 Did you steal any money from Alania's conservatorship?

9 A. Steal money?

10 Q. Yes.

11 A. Absolutely not.

12 Q. Did you make any loans?

13 A. Not from Alania's.

14 Q. Okay. And you didn't steal any money from Hannah,
15 right?

16 A. I didn't steal any money from anybody.

17 Q. Did you help anybody steal any money?

18 A. Not intentionally. I did absolutely
19 unintentionally.

20 Q. Okay. So you don't deny any of the basic facts in
21 this case. You just are saying that you did not intend to
22 help anybody steal?

23 A. That's correct.

24 MR. AUSTIN: Probably a good point.

25 THE COURT: Let's take a lunch break. It will be

1 about an hour.

2 (Jury leaves open court at 12:53 p.m.)

3 THE COURT: Okay. You may be seated. Any matters
4 that the Government needs for me to address?

5 MS. LIMEHOUSE: Nothing from the Government, Your
6 Honor.

7 MR. DANIEL: Nothing from the defense.

8 THE COURT: Be at ease for an hour.

9 (Whereupon, a recess transpired.)

10 THE COURT: Any matters we need to address?

11 MS. LIMEHOUSE: None from the Government, Your
12 Honor.

13 THE COURT: From the defense?

14 MR. AUSTIN: No, Your Honor.

15 THE COURT: Bring in the jury.

16 (Whereupon, the jury returns to open court at 2:03
17 p.m.)

18 THE COURT: Please be seated. Mr. Austin, please
19 continue your direct.

20 MR. AUSTIN: Thank you, Your Honor.

21 BY MR. AUSTIN:

22 Q. All right. Mr. Laffitte, right before lunch we were
23 talking about the Plyler sisters. And just circle back real
24 quick. You never took any loans from Alania's account; is
25 that right?

1 A. That is correct.

2 Q. And why was that?

3 A. She turned 18 before we ever did the first loan,
4 which was in July of 2011.

5 Q. Okay. And did Hannah lose any money over the course
6 of her conservatorship?

7 A. No, sir.

8 Q. In fact, you made her money; is that right?

9 A. Yes, sir, we did.

10 Q. Now, let's turn to Donna and Arthur Badger. How did
11 you become involved in Donna Badger's case?

12 A. Alex Murdaugh came over or called me and asked me if
13 I would be PR for Donna Badger. She had been killed in a
14 tragic accident involving a UPS truck in Allendale County.

15 Q. Did you know the Badgers prior to this?

16 A. I did not.

17 MR. AUSTIN: Can we please pull up Government's
18 Exhibit 218D and E.

19 BY MR. AUSTIN:

20 Q. Okay. Left-hand side here, Arthur Badger is removed
21 via this document on February 8th, 2013; is that correct, as
22 PR?

23 A. That's correct.

24 Q. All right. Do you know why he had to be removed as
25 personal representative?

1 A. I heard from earlier testimony, I believe it was
2 from Ronnie Crosby --

3 MS. LIMEHOUSE: Your Honor, I just want to point
4 out, he said February 8th, 2013, but these records show the
5 14th of September, 2012.

6 MR. AUSTIN: I was just reading the date right here.

7 THE COURT: So noted.

8 MS. LIMEHOUSE: Okay.

9 THE WITNESS: Earlier, Ronnie Crosby had testified
10 that they would get --

11 MS. LIMEHOUSE: Objection, Your Honor. He's
12 testifying based on another witness's testimony.

13 THE COURT: Only if he knows himself.

14 BY MR. AUSTIN:

15 Q. Do you have any independent understanding of why
16 Arthur Badger could not be a PR?

17 A. Why he could not be a PR? No, I do not.

18 Q. Okay. Then on the right side here, please tell me
19 about this document. Is this just the statement, resignation
20 for Arthur Badger?

21 A. Yes, sir, there's his resignation as personal
22 representative.

23 Q. All right. And then is this when you became
24 involved in the case?

25 A. That's correct.

1 Q. All right. So let's go to 218F, please. All right.
2 So if you could please tell the Court what's going on here
3 with this document?

4 A. It's just a verification that -- my understanding,
5 it's just a verification that says that Alex Murdaugh would
6 have brought and had me sign.

7 Q. Okay. And is that Alex's signature at the bottom?

8 A. Yes, sir, I think -- I believe so.

9 Q. Okay. And do you remember signing this?

10 A. I don't.

11 Q. You had never met either of the Badgers before?

12 A. No, sir.

13 Q. Let's go to Government's Exhibit 23, please. Do you
14 recognize this document?

15 A. I do now. It's a disbursement sheet for Arthur
16 Badger.

17 Q. Okay. Did you ever serve as personal representative
18 for Arthur Badger?

19 A. I did not.

20 MR. AUSTIN: Okay. Let's zoom in, please, the
21 personal representative line.

22 BY MR. AUSTIN:

23 Q. All right. See where it says Russell Laffitte,
24 personal representative fee, \$35,000. You said you've never
25 seen this document before everything happened with this case;

1 is that right?

2 A. I believe the first time that I saw it was in Jeanne
3 Seckinger's office when we were doing research.

4 Q. Do you have any idea why it would say Russell
5 Laffitte as personal representative for Arthur Badger?

6 A. No, sir, I don't.

7 Q. And did you have any involvement in drafting this
8 document?

9 A. No, sir.

10 MR. AUSTIN: And could we zoom out, please. Could
11 we zoom in bottom three lines.

12 BY MR. AUSTIN:

13 Q. All right. You see where it says Palmetto State
14 Bank payment to fund structure per client request, and the
15 \$1.325 million we heard a lot about?

16 A. I do.

17 Q. Does Palmetto State Bank do structured settlements?

18 A. No, sir.

19 Q. Has the bank ever done structured settlements?

20 A. No, sir, I don't -- I'm not sure what you would have
21 to do to even do a structured settlement.

22 Q. Okay. And is it your understanding that PMPED does
23 structured settlements fairly often in their practice?

24 A. They do.

25 Q. Would you expect that they might know that Palmetto

1 State doesn't do structured settlements?

2 A. I would safely say they would know that we do not do
3 structured settlements.

4 Q. You don't know for sure, but it's never happened to
5 your knowledge?

6 A. No, sir.

7 Q. Okay. Okay. Did you ever get paid any fees from
8 Donna Badger's estate?

9 A. I got a \$35,000 check, but that came from the -- now
10 we see it came from the Arthur Badger settlement.

11 Q. What did you think when you got that?

12 A. I just thought it was the agreed-upon fee. When
13 Alex asked me if I would be PR, he told me they would pay me
14 \$35,000. And so I didn't -- I wasn't shocked when I got it.

15 Q. Okay. And did you ask any questions?

16 A. I didn't.

17 Q. Why is that?

18 A. Because I was expecting it. I knew that we had
19 agreed to that.

20 Q. All right. And you said you think the first time
21 you saw that sheet was at Jeanne Seckinger's?

22 A. I believe so.

23 Q. And that would have been in September 2021?

24 A. Probably October or November.

25 Q. Okay.

1 A. October, it would have definitely been in October.

2 Q. Did you have any role in setting that fee at all?

3 A. No, sir.

4 Q. All right. Let's go to Government's Exhibit 37.

5 And this is an e-mail we've seen a lot. The jury has already
6 seen it. So can you tell the jury what you thought when you
7 received this e-mail? Do you remember?

8 A. I don't remember exactly what I thought, but I know
9 I would have been -- you know, I would have thought, why is
10 he sending me this? But, you know, just knowing Alex,
11 nothing surprises me. And I just -- because I would have
12 said, why didn't he just call Jeanne or whoever to re-cut
13 whatever check he wants re-cut for himself. But I did
14 realize right there that I needed to give him the number for
15 what he owed on the Hannah Plyler loans.

16 Q. Okay. And was that alarming to you at all?

17 A. No, it was not. I did not know what the check was
18 for or anything about the check.

19 Q. All right. And you said that you had not seen that
20 disbursement sheet that listed the 1.325 million on it for
21 Arthur Badger?

22 A. That's correct.

23 Q. So did this number here, again, same number 1325,
24 did that have any significance to you at the time?

25 A. It does not.

1 MR. AUSTIN: And can we zoom out, please.

2 BY MR. AUSTIN:

3 Q. Is Arthur Badger referenced in this e-mail chain?

4 A. He is not.

5 Q. And did you recognize that check number, 43162?

6 A. I did not.

7 Q. And did you ever receive a check for \$1.325 million?

8 A. I did not.

9 Q. So let's go real quick -- why did you think that
10 Alex was getting \$1.325 million at the time?

11 A. I really didn't think about it. You know, there's
12 no telling what he's doing. I didn't know whether he was
13 borrowing money from somebody else or -- you know, I just had
14 no idea as to why he had a check for a million 325.

15 Q. And this is in February. So this is after the bonus
16 checks typically go out?

17 A. That's correct.

18 Q. But did you have any suspicions with regard to Alex
19 at that time?

20 A. I did not.

21 Q. All right. And he was making, you said, average
22 \$1.5 million a year?

23 A. That is correct.

24 Q. And when you eventually did see this e-mail,
25 obviously, you saw it when you wrote it, but years down the

1 road in Jeanne's office, what did you think?

2 A. When I saw this, I didn't see this e-mail in
3 Jeanne's office. I was doing research. And I was
4 actually -- I found it in one of the loan files of the
5 Plylers. And when I found this e-mail, I printed it, because
6 I had to figure out how much he owed. And I did my
7 calculations and all on the actual e-mail. And I just stuck
8 it in there. And when I found it, I gave it to SLED, and I
9 said -- can I say that in court?

10 Q. How did you feel at the time?

11 A. I felt -- I wanted to -- I'm trying to think how to
12 put it nicely, politely. I realized what it looked like.
13 And I realized how it implicated me. And I was nauseous,
14 furious, and every other emotion that you could imagine went
15 through me just that quick.

16 Q. Who were you mad at?

17 A. Alex, I mean, he set me up, right there.

18 Q. Okay. And you sent an e-mail to Jeanne after this;
19 is that right?

20 A. I did.

21 Q. And why did you do that?

22 A. He had asked me to figure it out and whatever the
23 amount I owe Hannah, and he asked me to e-mail him back. I
24 didn't know why he wanted me to e-mail him. So I e-mailed
25 him back, but I did know Jeanne -- I added the part in about

1 Jeanne, because I knew Jeanne cut all the checks for the law
2 firm. And I think I mistyped and wrote "the Jeanne" to
3 re-cut the checks. And I gave the four amounts, 388,687.50,
4 whatever it was, I think it was 151 and some change, 75,000
5 and the 709.

6 Q. Okay. And did you end up writing these checks for
7 him?

8 A. I wrote -- what do you mean "write"?

9 Q. Okay. So you asked Jeanne to write these checks.
10 And then did Alex ever come to you with re-cut checks?

11 A. He did. He brought in three checks, \$388,687.50,
12 the 151 that went to Hannah Plyler, and the 75,000 that went
13 to Randolph Murdaugh.

14 Q. So you never received four checks from him in one
15 bundle?

16 A. Never.

17 Q. And let's go -- so this is --

18 A. I --

19 Q. I'm sorry?

20 A. I'm also not sure that I received all three at one
21 time.

22 Q. And we've heard previous testimony already about how
23 they were spaced out over coming months and almost to a year;
24 is that right?

25 A. He did. He would hold them or, I don't know, piggy

1 bank them somewhere, his desk drawer. I don't know what he
2 would do with them, but he would just sort of bring them in,
3 I guess so you would forget about it and wouldn't think about
4 it. I really don't know what he did.

5 Q. All right. You see these numbers down here; do you
6 recognize those?

7 A. RAM000147?

8 Q. Do you know what those signify?

9 A. I assume that means Ralph (sic) Alexander Murdaugh
10 and Randolph -- whatever his name is, Randolph Alexander
11 Murdaugh.

12 Q. This is not the e-mail that you produced to PMPED?

13 A. No, it is not.

14 Q. You did produce the e-mail but this is just a
15 printed copy of it? Is that what you are saying?

16 A. That is -- I believe this one came off of the --
17 from the law firm, either from us, but it didn't come -- that
18 was not what I provided SLED.

19 Q. Okay. So the jury has seen this one. The
20 Government put it up. Let's go to Government's Exhibit 29.
21 I'm sorry. Let's go to Government's Exhibit 39. Excuse me.
22 Are these your notes?

23 A. Those are. This is the e-mail that I pulled out of
24 my file and I turned over to SLED. It shows the breakdown.
25 Do you see where I wrote the 151? And then you see my

1 calculations down at the bottom and you also see the
2 calculations for the two loans that were paid off.

3 Q. Okay. So how do you know that this e-mail you
4 provided to SLED?

5 A. I remember giving it to them.

6 Q. Okay. And -- but when you gave it to them, did you
7 give them a hard copy or did you scan it and e-mail it to
8 them?

9 A. I don't remember that. If I had to take a guess, I
10 scanned it and sent it to David Williams.

11 Q. Okay. Do you have a scanner in your office?

12 A. I did.

13 Q. And is that how you would upload a lot of the
14 documents you found through your research?

15 A. Yes, sir.

16 Q. Okay. And do you see at the bottom here, it will
17 have the RAM Bates number?

18 A. That's correct.

19 MR. AUSTIN: So let's go to the Badger checks,
20 Government's Exhibit 29, please. If we can zoom in on the
21 checks.

22 BY MR. AUSTIN:

23 Q. All right. When you look at this, on the left side
24 you will see these initials there; are those yourself?

25 A. They are.

1 Q. And did you write those initials?

2 A. I did. I wrote them when I was doing the research.
3 I wanted whoever looked at this research to know who signed
4 the checks. So when I was doing it, I just would write my
5 initials, because I actually went and viewed the actual check
6 itself. And I wanted them to know that Russell Lucius
7 Laffitte, RLL, was the signer of the check.

8 Q. How can you tell that these initials came at the
9 time you were providing this document over to PMPED or SLED?

10 A. Because they are in blue and not -- I would write
11 everything in blue so if you scanned it, you actually could
12 see the blue ink versus if it was done when we originally did
13 it, it would be black as the image is.

14 MR. AUSTIN: Zoom out, please. Zoom in on the
15 bottom check.

16 BY MR. AUSTIN:

17 Q. Is that what you are talking about, has some black
18 and white there?

19 A. That's correct. That's a picture of when it runs
20 through the machine. It images the front and the back.

21 Q. So just like Government's Exhibit 39, there's a
22 color scan, you can tell them apart because of the colors?

23 A. That's correct.

24 Q. All right. Do you know why Alex would be paying
25 Johnnie Parker \$388,000?

1 A. He would borrow money regularly from either Mr.
2 Parker or his father. I mean, that was not an unusual and
3 not an unknown fact to me.

4 Q. And does Johnnie Parker loan money out routinely?

5 A. He does. I mean, he's financed houses and
6 everything else for people at the law firm. That is not an
7 uncommon practice for him.

8 Q. And you've taken a loan from him?

9 A. I have.

10 Q. I believe there's some testimony from Ronnie Crosby
11 that he didn't get a break. When you borrowed money from
12 him, did you get any kind of break?

13 A. No, sir, normal rate.

14 Q. All right. How many checks do you receive each day,
15 just ballpark, as a banker in Palmetto State Bank?

16 A. I don't have any idea how many checks the bank
17 receives a day. I would say a thousand or more. I would
18 look at probably anywhere from 50 to 100. You know, depends
19 on the day. You know, A Friday or a Monday, it could be a
20 lot busier. People are coming in to get money orders and we
21 have to have an officer sign it. And me being the officer on
22 the lobby, I've signed a lot of them. And if somebody had a
23 problem with a check, a lot of times they would just come
24 directly to me because, again, I'm sitting in the lobby.

25 MR. AUSTIN: Can we zoom back in on the check,

1 bottom left, please.

2 BY MR. AUSTIN:

3 Q. So, do you remember actually receiving this check?

4 A. I don't remember actually receiving it at this
5 point. I remember when I looked at it, I knew I did it. I
6 saw that I did it. I did the transaction.

7 Q. Okay. You don't deny that in any way?

8 A. No, sir, I did every one of the transactions.

9 Q. Would it be strange just in your normal day-to-day
10 work life to receive a check like this to Palmetto State Bank
11 from a client asking you to do something with it and purchase
12 a money order?

13 A. No, if you want to get a money order or make a loan
14 payment or anything else, you make the check to Palmetto
15 State Bank, that would not be unusual in itself. Looking
16 back on this check, there's some unusual irregularities, but
17 we didn't see at the time.

18 Q. Do you recall whether you saw Arthur Badger's name
19 in the memo line?

20 A. I wouldn't have looked at the memo line. The memo
21 line is for the writer of the check to remember what they
22 wrote the check for and, you know, if I would have seen this,
23 I would have -- because I've had a lot of time to think about
24 these. I mean, I would have thought something like, you
25 know, maybe they wrote it to remember that he got maybe in

1 advance on the fees from Badger or something along those
2 lines. I wouldn't have connected it.

3 Q. Is that something that would happen with Alex from
4 time to time?

5 A. You know, I don't know whether he did. I'm assuming
6 he would have told me something. He would have come in with
7 a story. And that's just the way he was. And you know, now,
8 2021, 2022, we see it. You know, 2011, '12, '13, '14, '15,
9 when all this was taking place, we never suspected it.

10 Q. Did you ever intend to steal \$388,000 from Arthur
11 Badger?

12 A. I didn't steal it. Mr. Murdaugh stole it. And no,
13 sir, I would not have been in any part of it if I would have
14 known.

15 Q. All right. And you were not a fiduciary for Arthur
16 Badger; is that right?

17 A. No, sir, I was not.

18 Q. Let's go to page 2, please. And do you recognize
19 this check?

20 A. I do.

21 Q. When did you see it? When do you recall seeing it
22 for the first time?

23 A. He brought that in to pay the loans on Hannah Plyler
24 as on that e-mail he had asked me about. I sent it back to
25 him.

1 Q. But do you actually remember when he did bring it in
2 physically?

3 A. I don't remember. But just seeing the date, it says
4 2/12/2013, so I'm assuming that was the date I did the
5 transaction.

6 Q. And same deal with the last one, did it stand out to
7 you that that Arthur Badger's name was on there, it was to
8 Palmetto State Bank?

9 A. It did not. And I actually have copies of a lot of
10 these checks in the probate file.

11 Q. Okay. And why is that?

12 A. Well, I didn't keep every one, but if I got a
13 payment, I wanted to keep a record of how they paid it so you
14 could go back and look and see and there would be the check.

15 Q. And we touched on this really briefly, but I think
16 it bears repeating. You found that e-mail, the re-cutting
17 e-mail for lack of a better term, in Hannah Plyler's account,
18 or not account, but in her file; is that right?

19 A. That's correct.

20 Q. And why would you put that in her file?

21 A. Because that was where I calculated her payoff on
22 the loan and I just -- I guess I threw it in there with this
23 check. And it was just sitting in it because it was in the
24 loan part section of the probate -- well, not the -- the loan
25 section of my file of Hannah Plyler.

1 Q. All right. And this goes back to -- did you think
2 that there was anything wrong with your involvement in these
3 checks?

4 A. I did not.

5 Q. Is that why you filed them in probate court?

6 A. That's correct.

7 Q. All right. Let's go to the next page, please. And
8 is this the deposit slip?

9 A. That is the deposit slip. I want to say one thing
10 about it.

11 Q. Sure.

12 A. I should have cut a money order. When the check
13 came to Palmetto State Bank, I should have cut a money order
14 to the Hannah Plyler conservatorship. And I didn't feel like
15 cutting a money order, so I just had them run it through.

16 Q. Is there any significance to that?

17 A. Well, it was the bank's money, because it was made
18 to Palmetto State Bank, even though we knew what it was going
19 for because he told me what it was going for. So that way, I
20 should have -- to make it clean, I should have done it the
21 other way.

22 MR. AUSTIN: Okay. Let's go to the next page,
23 please. Zoom in on the top. Do all four of the images,
24 please.

25 BY MR. AUSTIN:

1 Q. All right. And we've got initials again?

2 A. That's correct.

3 Q. Are those just like the other initials we saw?

4 A. They were. I put them on during research.

5 Q. And throughout, this is a pretty long exhibit,
6 throughout the entire exhibit there are a number of initials
7 that we saw in court here and they are all in blue like that?

8 A. That's right.

9 Q. Does that apply to all of them?

10 A. It does.

11 Q. And all of these checks, we don't need to go through
12 every single one, but did you know that any of them were
13 stolen -- would effectively help Alex steal funds from Arthur
14 Badger?

15 A. I would not have helped him in any way steal funds.

16 Q. And as bad as these memo lines look, your testimony
17 is that you don't remember seeing it?

18 A. I don't. And I wouldn't have looked at the memo
19 line. I mean, I saw a lot of checks. I mean, and I write
20 things in my memo lines in my personal checks, but I wouldn't
21 expect anybody to look at it.

22 MR. AUSTIN: Okay. Let's go to page 4 please. Zoom
23 in on the four images.

24 BY MR. AUSTIN:

25 Q. All right. What do you see here? Does this fall in

1 the same lines as the other ones?

2 A. It is, \$75,000 money order.

3 Q. And who is this made payable to?

4 A. Randolph Murdaugh III, which is Alex's father. I'm
5 assuming he paid him for something, a loan.

6 Q. Did he tell you what that was for?

7 A. No, sir.

8 Q. All right. Did you ask?

9 A. No, sir, I wouldn't have asked.

10 Q. Why wouldn't you?

11 A. I've been dealing with Alex for 30 years, I just
12 wouldn't have -- there was no need to. The check was made to
13 Palmetto State Bank. He was an authorized signer of Peters
14 Murdaugh Parker. He could direct how that money went. I
15 wouldn't have thought anything of it.

16 Q. An important point, he's an authorized signer. Can
17 you explain the significance of that term?

18 A. You see signature down here, the authorized signer
19 can sign the check and direct where it goes. I mean, he was
20 a partner in this law firm.

21 Q. And so that gave him the authority to direct the
22 money anywhere?

23 A. I would think so, yes, sir.

24 Q. Is that your understanding at the time?

25 A. That's my understanding.

1 Q. Okay. Let's go to page 5. All right. This is a
2 little different. We've got initials here just like the
3 other ones. And, obviously, they are substantial sums. But
4 the bottom says, estate of Donna Badger.

5 MR. AUSTIN: And can we zoom in on the bottom check,
6 bottom two checks, the image on the left and right of the
7 very bottom.

8 BY MR. AUSTIN:

9 Q. Okay. So this says estate of Donna Badger, and
10 \$101,000, and just like the other checks, it's going to
11 Palmetto State Bank. And did Donna Badger's estate have
12 \$101,000 in it?

13 A. No, sir.

14 Q. How much did it have in it?

15 A. 500.

16 Q. 500?

17 A. 500.

18 Q. And you were the PR for her estate?

19 A. I was.

20 Q. And you didn't notice this?

21 A. I did not.

22 Q. Okay. If you had, what would you have thought?

23 A. I would have thought it was pretty odd that there's
24 a check coming to us with the estate of Donna Badger. But
25 like I said, I would have probably asked him, hey, why does

1 it say this? Because I know he doesn't have 5 -- but -- but,
2 you know, I would have had to have known that it was this
3 money, which I wouldn't have -- like I said, I would have
4 thought he was getting advance on fees. I don't know what I
5 really thought.

6 Q. Okay. And if it truly was for her estate, would
7 that check have cleared?

8 A. It wasn't going to be from her estate. I mean,
9 couldn't have been.

10 Q. Again, you would have noticed it because of that
11 reason, right?

12 A. Yes, sir, I believe so.

13 MR. AUSTIN: All right. Let's go to next page,
14 please. I'm sorry. Let's keep going. Go to the next one,
15 please. I'm going to keep scrolling until I get to Southern
16 Crane. I forgot to write the page number down. Let me zoom
17 in on the top two inches.

18 BY MR. AUSTIN:

19 Q. We've heard a lot about loans not on system. Can
20 you put this -- can you describe what that means and the
21 significance of it to the jury?

22 A. Loans not on system is a general ledger account.
23 Palmetto State Bank at one point in time was having some
24 issues. I mean, we make loans, something might get tied up
25 or, you know, we need to account for our money, all of our

1 money orders that are outstanding and everything. And this
2 is typically how you fund a loan, is a money order or a wire.
3 So we put wires and money orders in this account. But what
4 was happening is we were -- continually, our money order
5 account would show up on our nonsufficient list, because a
6 loan's here waiting to be booked, let's just say a million
7 dollars, the money order goes through, the money order
8 account is not going to sit there with a million dollars. So
9 we needed to fix that. So we came up with this idea. I
10 believe I was the one that actually came up with the idea,
11 with the help of some other people, that we made this account
12 so we could clear money orders immediately. So that would
13 fund the money order account. So if I did a loan, I would --
14 or a wire, you know, that would pay for the money order, that
15 loans-not-on-system account.

16 Q. And who images the loans-not-on-system account?

17 A. Jay Gray Peeples in the Estill branch, he manages
18 that account.

19 Q. Is there one account for the entire bank?

20 A. There's not. There's an account for each branch.
21 This number right here 1017569, the 69 indicates our branch
22 number. That is the Hampton branch; 70 is Bluffton; 85
23 Estill; and so on and so forth for all seven branches. So we
24 knew exactly where to look for it. And so you have to be
25 able to keep up with it.

1 Q. Loans not on systems kind of sounds weird if you are
2 not involved in banking. Is there anything nefarious or is
3 it any sort of attempt to hide things?

4 A. Not at all.

5 Q. Within the bank, people know what that means?

6 A. Absolutely.

7 Q. All right. And you touched on it. Wires go through
8 the LNOS down here, loans not on system, account?

9 A. They did. The wires were down out of our Bluffton
10 office. And they would actually get the -- fund the wire.
11 Like, if I was sending wire to Southern Crane, I fund loans
12 not on system with the money, and they would debit it to pay
13 for the wire.

14 MR. AUSTIN: Okay. Can we zoom out, please. Can we
15 zoom in on the bottom check too.

16 BY MR. AUSTIN:

17 Q. All right. Again, this is estate of Donna Badger.
18 Could her estate have ever funded a \$50,000 check?

19 A. No, sir.

20 Q. As a PR, you would have known that?

21 A. That's correct.

22 Q. Yet, it made it through?

23 A. Well, we didn't think it was Donna Badger's money.
24 We thought it was Alex's.

25 MR. AUSTIN: All right. Go to the next page,

1 please. Go one more. Keep going. Right here.

2 BY MR. AUSTIN:

3 Q. Edward Smith, who is that?

4 A. I have no idea.

5 Q. Have you come to know who Edward Smith is?

6 A. This is going to be an assumption from what I've
7 learned, but I'm assuming Edward Smith is the C.E. Smith that
8 you will see in his checking account that he wrote numerous
9 checks to.

10 Q. Okay. And so you've never met C.E. Smith, Edward
11 Smith, the Cousin Eddie I think a lot of people call him?

12 A. I am not going to say I've never met him. He had
13 numerous lawyer loans with the bank. So he has been in my
14 office. I would make -- I rarely made lawyer loans; however,
15 if everybody else was busy or Carrie Sauls was the lady that
16 mainly did those loans for us, if she would have been busy
17 and he came in, I would have done it, but I don't ever recall
18 meeting him.

19 Q. Okay. So did you intentionally send \$800 to buy a
20 Jeep for Eddie Smith knowing it was stolen money?

21 A. No, sir, I did not.

22 Q. All right. And the last two checks went to Bank of
23 America out of the Badgers' accounts. Did you ever see those
24 checks at the time?

25 A. I did not.

1 Q. Okay. And did you have anything to do with those
2 funds, it's 101,000 and 50,000, approximately, any knowledge
3 they were stolen and that Badger was out any money?

4 A. I didn't know what they were until we were doing
5 research. I never knew anything about this money that was
6 coming in from Arthur Badger until we did the research. When
7 I say "we," I did -- I'm sure I did a lot of it. I'm sure
8 John Peters, who y'all met earlier, did a lot. I mean, we
9 were all -- it was a crazy time for us and the PMPED law firm
10 trying to research and get stuff. We were getting subpoenas
11 from everybody and trying to get all this information.

12 Q. You are talking about the research you did in the
13 fall of 2021?

14 A. That's right.

15 Q. So you all were working with the law firm trying to
16 figure everything out?

17 A. The law firm, ODC, attorneys that are suing the law
18 firm and Palmetto State Bank.

19 Q. And you are working with John Peters, you mentioned;
20 anybody else at the bank to do any research?

21 A. I know my sister Gray Henderson did some. I would
22 think just about a little bit of people did a little bit of
23 everything. I would -- absolutely safe to say, Nancy Drawdy,
24 she would have done the loan side, because she runs our loan
25 department. And definitely, like I said, John Peters, Mark

1 Altman, if we needed to get old images, because we were
2 trying to pull up images from 2011, '09. You know, they are
3 not sitting there. We are having to go and physically load
4 old disks or CDs or tape. I am not exactly sure which one it
5 is. I should know, but I don't. But they would actually
6 have to physically go load them, bring them up on the system
7 to get that images from that long ago.

8 Q. So you are doing this research not by yourself? You
9 are doing it with a whole team of people?

10 A. That's correct.

11 Q. So it wasn't a secret to anybody at Palmetto State
12 Bank?

13 A. No, sir.

14 Q. Y'all didn't know -- or did you know the full extent
15 of what Alex had done at that time?

16 A. We did not at the time. And I'm not sure we still
17 do.

18 Q. All right. So in that initial e-mail, the
19 re-cutting e-mail, there's a \$709,000 check, or he had asked
20 for one to be cut. Did you ever receive that check?

21 A. Did not.

22 Q. And do you know what happened to that check?

23 A. You know, when I sent that e-mail, when I was doing
24 research and getting ready for all of this, I was like, you
25 know, I didn't get a \$709,000 check. And then, you know, you

1 look and you break it down, all those different checks, I
2 don't think you want to pull them up and go through all of
3 them, and then you see. But on there, the law firm's general
4 ledger, journal, whatever that was put up here, you can see
5 where it was voided. I don't know who authorized the voiding
6 of it. I can tell you I did not. And then there were a
7 bunch of checks that came out of that, like 9 or 10 or so.
8 And then you see two more checks that were voided that I did
9 not authorize. Those ended up being the Bank of America
10 checks.

11 Q. All right. So, originally, there was going to be --
12 1.325 was going to be split into four different checks or
13 money orders or whatever?

14 A. That's correct.

15 Q. And then the 709 got split up into even more checks?

16 A. That's correct.

17 Q. Okay. Can we pull up Government's Exhibit 31. Do
18 you recognize this document?

19 A. It's a Palmetto State Bank's stop payment order.

20 Q. All right. Did you have anything to do with this?

21 A. Never saw it until all of this discovery and
22 research with this case.

23 Q. You mentioned the general ledger at PMPED and the
24 voided checks on that. Did you have anything to do with the
25 voiding of those checks?

1 A. Did not.

2 Q. Okay. Was it a surprise when you found out that
3 there were all these voided checks?

4 A. It really did. But, you know, now looking back on
5 it, it doesn't surprise me at all, because that's -- if he
6 had walked in with that million 325, I don't know that I
7 would have recognized it. I would have recognized it as
8 matching what that e-mail said, because it would have been
9 just right then. But by separating it out, it was just a way
10 for him to hide it.

11 Q. Okay. And, again, did you try to help anybody steal
12 money?

13 A. No, sir, I did not.

14 Q. And Alex Murdaugh in particular?

15 A. I wasn't going to help anybody steal money.

16 Q. All right. Let's move on to Natasha Thomas. How
17 did you get involved in her conservatorship?

18 A. Just like the other ones, Alex contacted me and gave
19 me a brief rundown, just like he would have on all of them.
20 He would give me a brief summary of the case, you know, said,
21 hey, there's a terrible car wreck and these victims were all
22 from Yemassee area. And, you know, give me -- tell me what
23 was going on. And just said that he needed me to serve as
24 conservator and they asked me if I would and I told him I
25 would.

1 Q. And did he get a lot of clients from the Yemassee
2 area?

3 A. He got a lot of clients from all over, but, yes, he
4 did. I mean, he did a couple of them. He had a knack for
5 getting some really good, big cases.

6 Q. Can you elaborate a little bit more on that?

7 A. I was always under the understanding that, you know,
8 he would give -- like, if law enforcement sent a case to him,
9 I wouldn't say they really sent it, but if I had gotten in an
10 accident and they are asking who do I need to talk to, they
11 might would say call Alex Murdaugh. And I basically was told
12 he would give them like a finder's fee or something.

13 Q. You don't know that for sure? You don't have
14 independent knowledge of that?

15 A. No, sir.

16 Q. And did you ever meet Natasha Thomas?

17 A. I did.

18 Q. Where did you meet her?

19 A. I would have met her at the mediation.

20 Q. Okay. And would Alex have been there; do you
21 remember?

22 A. Yes, sir, he would have been.

23 MR. AUSTIN: Let's pull up Government's Exhibit 110.
24 All right. Let's go to page 3, please.

25 BY MR. AUSTIN:

1 Q. Do you recognize this document?

2 A. I do. It's the renunciation of rights.

3 Q. I'm sorry?

4 A. It's the renunciation of right and waiver of bond.

5 Q. And this is what cleared the way for you to become
6 conservator?

7 A. That's correct.

8 MR. AUSTIN: And let's go to the next page, please.

9 Next page.

10 BY MR. AUSTIN:

11 Q. All right. And this is petition, just like some
12 others we've seen already. Were you responsible for filling
13 out any of the information on this page?

14 A. No, sir, I was not.

15 Q. Who filled that out?

16 A. Alex Murdaugh or PMPED. I would assume that one of
17 his paralegals would have filled it out for him.

18 Q. You heard testimony about the age being incorrect on
19 this?

20 A. That's correct.

21 Q. Did you have anything to do with writing in age?

22 A. Absolutely not.

23 Q. And you never met Natasha Thomas before?

24 A. No, sir.

25 MR. AUSTIN: And if we can go to the next page,

1 please. I'm sorry. Go to the third page.

2 BY MR. AUSTIN:

3 Q. Yet you signed it?

4 A. I did.

5 Q. In the verification portion at the top, why did you
6 sign there?

7 A. That's where I was told to sign, so I signed there.

8 Q. And so you didn't know what her actual age was at
9 the time?

10 A. I never met her. I mean --

11 Q. And why didn't you get out -- make sure you got her
12 driver's license and verify all the information?

13 A. Just like everything else, hindsight, I wish I had.
14 I would have had to drive down to Yemassee and found her and
15 gone and met with them and gotten the actual age. But we
16 didn't fill out these forms. Yes, I signed them. Yes, I
17 signed the verification. But I did not verify that she was
18 15 years old.

19 Q. Okay. And it says -- if we can zoom in on the
20 verification -- says the facts set forth in the foregoing
21 statement are true to the best of undersigned's knowledge,
22 information, and belief; is that true?

23 A. That's right. I mean, to the best of my knowledge
24 and belief, it was correct at the time. From what they
25 filled out and told me, I would assume that it's correct.

1 Q. And you still signed it. Were you just relying on
2 Alex?

3 A. I was -- yes, sir.

4 MR. AUSTIN: Okay. Zoom out.

5 BY MR. AUSTIN:

6 Q. And, again, but your understanding was that you were
7 accepting the appointment to become her conservator at the
8 time?

9 A. That's correct.

10 MR. AUSTIN: And let's go to Government's Exhibit
11 20. If we can zoom in on the fee portion.

12 BY MR. AUSTIN:

13 Q. Did you ever receive a \$15,000 conservator fee?

14 A. I did.

15 Q. But did you do any work for her?

16 A. I helped them set up the structure and that was
17 about it.

18 Q. All right.

19 A. That was it.

20 Q. I'm sorry?

21 A. I said that was it, I set up the structure.

22 Q. And we talked about structured settlements before.
23 Is there much work that went into this one similar to what
24 you described earlier?

25 A. No, there's not a lot of work. And it seems like a

1 large fee until you are sitting here in the situation I am
2 right now and you see the civil side of it, the civil
3 liability that you are taking on for that fee. But, no, I
4 did not do that. Attorney and I went to a mediation or two,
5 and I'm sure I've got a bunch of lawyers, letters from
6 lawyers, and helped set up the structured settlement.

7 Q. All right. How do you decide what kind of
8 structured settlement to buy?

9 A. You listen to the advice of lawyers. And Forge
10 Consulting was who they would always use.

11 Q. Again, Palmetto State Bank did not have the ability
12 to do structured settlements?

13 A. Not at all.

14 Q. Let's zoom out.

15 A. Of the structure, \$650,000.

16 Q. All right. Let's zoom in on the disbursement to
17 client. There you go. All right. Disbursement to client;
18 you see Natasha Thomas, Palmetto State Bank, \$325,000. Do
19 you know, did Palmetto State Bank receive \$325,000?

20 A. We did not. Well, you know, that's a tough one to
21 answer. We did not knowingly receive it. It was just like
22 Arthur Badger, he came in with this check made out to
23 Palmetto State Bank, told me where he needed it to go, and I
24 did the transaction for him. So I guess, you know, in
25 theory, the bank did receive it. In reality, we did not know

1 what we were receiving. We thought we were receiving money
2 that he had.

3 Q. Okay. And can we go to Government's Exhibit 21.
4 Okay. And what is that \$25,000 Palmetto State Bank loan?

5 A. I don't know the loan, but I know the check now that
6 we've seen it and done it. And this one was the one that we
7 broke up into several 9,000, 9,500, whatever the numbers
8 were. We've seen it multiple times. That's what that check
9 was.

10 Q. You said "we" broke it up, this has come up at other
11 points --

12 A. We, we -- whenever we talk about Palmetto State
13 Bank, there's no -- as I know y'all have heard it, there's no
14 I in team, it's always "we." I couldn't cash a check as a
15 PR. I couldn't cash a check as an individual. I guess I
16 could, a small one, but I couldn't cash a big check. So when
17 I say "we," we as in Palmetto State Bank, me as an employee
18 of Palmetto State Bank, that's what I mean.

19 Q. And you heard your sister Gray talk about what that
20 means at the bank?

21 A. Right.

22 Q. And that's something your dad has talked to you
23 about?

24 A. That's correct. I mean, just like any -- I'm going
25 to use a football team as an analogy. Yeah, you might have a

1 superstar, but it takes the others to win a game. And that's
2 the same way at any business. You know, you are going to
3 have your high performers, you are going to have some that
4 you pulled along. But it takes all, you are a team. You've
5 got to be together. If you are not together, then you have
6 problems.

7 Q. Is that core philosophy at Palmetto State Bank?

8 A. Absolutely.

9 Q. Is that something that you attribute the bank's
10 success to over multiple generations of Laffittes?

11 A. I do.

12 Q. Your dad, how many brothers did he have, your dad?

13 A. Oh, you thought you were talking -- I have one
14 brother. My dad has two, two brothers. One has passed away
15 now.

16 Q. But they all -- they all worked as bankers together?

17 A. They did.

18 Q. I'm around lawyers all the time, so used to saying
19 "practice."

20 Did you steal any money from Natasha Thomas?

21 A. I did not.

22 MR. AUSTIN: All right. Zoom out.

23 BY MR. AUSTIN:

24 Q. Okay. Did you ever help Alex steal knowing that he
25 was stealing money?

1 A. I would not have done that.

2 Q. All right. Let's turn to Hakeem Pinckney. Let's go
3 to exhibit -- Government's Exhibit 109. Go to page 9. All
4 right. I know it's getting repetitive. We've got to work
5 our way through. And we are almost done. Do you remember
6 this, when you were appointed to be his conservator?

7 A. I do.

8 Q. And like the previous form, did you fill out any of
9 the information in this document?

10 A. I did not.

11 Q. And do you know who did?

12 A. PMPED, Alex Murdaugh, or one of their employees.

13 Q. Let's go to the third page, please. Okay. And,
14 again, says Pamela Pinckney renouncing her rights?

15 A. That's correct. That was his mother.

16 Q. Did you know when Hakeem Pinckney died?

17 A. I did not.

18 Q. And had you ever met him before?

19 A. I had not. He was very seriously injured in this
20 wreck and was a quadriplegic. I want to say he was in North
21 Augusta or Augusta in a nursing home. I wouldn't swear to
22 that, but he was in a home.

23 Q. And let's go to -- well, I guess there's previous
24 testimony about an e-mail where Alex texted you or e-mailed
25 and said, 911, please call me. Do you remember getting that

1 from him?

2 A. I saw that in discovery. And I have no idea what
3 that -- you know, I have no clue why he sent that. But I
4 would have called him. I mean, if he sent me that, I would
5 have absolutely have picked up the phone and called him.

6 Q. And he didn't bring up Hakeem Pinckney?

7 A. I don't recall anything about it.

8 Q. All right. Let's go to Government's Exhibit 21,
9 please. All right.

10 A. Didn't we just look at this one?

11 Q. All right. So did you try to pay any of the money
12 back to Malik Williams -- I mean, Hakeem Pinckney that was
13 taken by Alex Murdaugh?

14 A. Oh, Hakeem Pinckney, after I did the research with
15 Hakeem Pinckney and Natasha Thomas, it was just like on the
16 Badger, I mean, you just wanted to throw up when you saw what
17 truly had transacted when you had that -- you know, when
18 you've got that hindsight and you could see what's going on.
19 And I met with Mark Ball and several of them. And I also met
20 with my father. And I wanted us to settle or try to settle,
21 just like we had done with Arthur Badger. So when I met with
22 them, they had said that they weren't -- they were not going
23 to even consider paying any of it. And so I went back to the
24 bank and, you know, 634,000, plus the 25,000, so 659,
25 \$660,000, and I went to them and I said, let's pay it, let's

1 get out of this. And we definitely were not going to write a
2 check like we did, even though we had the authority that was
3 -- caused a big hoopla before. So we would take it to the
4 Board. We had already sent an e-mail to the attorney and
5 explaining to him what was going on, what we wanted to do.
6 And when we got to our Board meeting, the day we got to the
7 Board meeting to discuss it, we were served with the notice
8 of intent to sue.

9 MR. AUSTIN: Okay. Could we pull up Government's
10 Exhibit 22, please.

11 BY MR. AUSTIN:

12 Q. Do you recognize this disbursement sheet?

13 A. I do.

14 Q. And zoom in on the fees, please. Did you receive
15 \$60,000 conservator fee?

16 A. I did.

17 Q. And did you do any work for Hakeem Pinckney?

18 A. I helped set up the structure just like before, go
19 to the mediation.

20 Q. Okay.

21 A. Not -- you know, that was probably too much of a fee
22 now, looking back.

23 Q. All right. Let's go down to the disbursement to
24 client, and 309,000 to Palmetto State Bank. Do you recall
25 that coming through?

1 A. I do not. Now, looking back, I know where it came
2 through on doing the research. But one thing I want to say
3 here, I was the conservator, not Palmetto State Bank. If you
4 look at the top of the one behind you, it says clearly
5 Russell Laffitte. And on the settlement statement or
6 disbursement statement it shows Palmetto State Bank. And I
7 believe that's how that was -- that was the start of the
8 theft because he would write it to Palmetto State Bank
9 knowing we wouldn't recognize it. If it came in Russell
10 Laffitte as conservator, we wouldn't be sitting here today.

11 Q. And you didn't have anything to do with drafting
12 this disbursement sheet?

13 A. No, sir, I did not.

14 Q. Did you sign off on it?

15 A. I did.

16 Q. Why did you if it had that Palmetto State Bank
17 there?

18 A. He would come in, just like I said earlier, he would
19 have it marked, he would send a runner or he himself would
20 come in and say, I need you to sign here. Years, decades of
21 trust and experience and took advantage of you, of me.

22 Q. All right. Now, moving on to Malik Williams, how
23 did you get involved as conservator for him?

24 A. Paul Detrick asked me to be conservator for him.

25 Q. Who is Paul Detrick?

1 A. Yes, sir.

2 Q. Who is Paul Detrick?

3 A. He was a partner. He's passed away now. He was a
4 partner at PMPED.

5 Q. All right. So how did Alex get involved with that
6 case?

7 A. He was not involved at all with the case. But, you
8 know, they are in a building together. So they know what's
9 going on on different cases.

10 Q. And he was a partner?

11 A. Yes, sir, they were both partners.

12 Q. Alex and Detrick?

13 A. And Paul.

14 Q. And how many lawyers did the firm have at the time?

15 A. In the Hampton office at that time, 10 maybe.

16 Q. Okay. And that was a pretty big fee that he got
17 from that case, wasn't it?

18 A. Yes, sir. Well, on Malik Williams?

19 Q. Sure.

20 A. I don't think it was that big, but it was --

21 Q. Okay. Let's go to Government's Exhibit 108 and go
22 to page 3. All right. So is this letter asking you to be,
23 or the petition, for you to be appointed as conservator?

24 A. That's correct.

25 Q. And let's go to the next page. Next page. All

1 right. And this is -- do you recognize this letter?

2 A. I know what it is. It was a letter done to Peters
3 Murdaugh Parker from the probate.

4 Q. Let's go to page 9, please. I believe this is the
5 last one.

6 A. Right. That's the appointment.

7 Q. Okay. It's the same form you've seen before. And
8 did you have anything to do with filling out any of this
9 information?

10 A. I did not.

11 MR. AUSTIN: Let's go to the third page, please. Go
12 back one. Sorry. All right. There we go.

13 BY MR. AUSTIN:

14 Q. And this one is a little bit different than the
15 other ones. Can we zoom in on the top third. All right.
16 Has Paul Detrick sign -- I guess that's Paul Detrick. Do you
17 recognize the signature?

18 A. I don't recognize the signature, but I'm going to
19 assume that also.

20 Q. But this one appears to be filled out correctly;
21 does that look right?

22 A. Yes, sir.

23 Q. Zoom out. And on the verification here, you don't
24 have your signature?

25 A. That's correct.

1 Q. Is that Paul Detrick's?

2 A. I'm going to assume it's the same as above, so, yes,
3 sir.

4 MR. AUSTIN: Zoom out, please. Zoom in on the
5 bottom part.

6 BY MR. AUSTIN:

7 Q. All right. So here, this is your signature; isn't
8 it?

9 A. That is mine.

10 Q. All right. And you don't know how Alex got involved
11 in this, but somehow he found out, is that what you are
12 saying?

13 A. I mean, it's a small office. They are going to
14 talk. They know about cases. I mean, he very well could
15 have -- Paul could have said -- been down in the lunchroom
16 or --

17 MS. LIMEHOUSE: Objection, Your Honor, this is
18 complete speculation.

19 THE COURT: Sustained.

20 BY MR. AUSTIN:

21 Q. Let's just wrap this up. Did you ever intentionally
22 try to help Alex or anybody else steal from Malik Williams?

23 A. No. No, sir.

24 Q. All right. So I just want to talk real briefly
25 about Palmetto State Bank Board. When did you first join the

1 Board?

2 A. Somewhere -- I don't remember exactly, but I would
3 probably say between 2005, 2010.

4 Q. Okay. So was there sort of an older generation
5 still in leadership at the bank at that time?

6 A. Absolutely.

7 Q. And who was in leadership at the bank?

8 A. My father, Charlie Laffitte, was chairman and CEO.
9 We had Mark Laffitte. He was in Estill. He was -- I don't
10 remember what his title was, chairman something. But he was
11 more like vice chairman. And Monty Laffitte out of Bluffton
12 was vice chairman. Henry Laffitte in Allendale, he was
13 the -- he was executive vice president. He ran the branches
14 up there. Jan Malinowski, and that's about it.

15 Q. Okay. And there's been testimony about newer family
16 members joining the Board in the past few years; is that
17 right?

18 A. That's correct.

19 Q. How would you just generally describe the Board's
20 approach just when you were coming up in the bank --

21 MS. LIMEHOUSE: Objection. I think this is going to
22 go towards some of Your Honor's prior rulings.

23 THE COURT: I'm listening.

24 MR. AUSTIN: I'm trying hard to stay away. I have
25 no intention to go there.

1 BY MR. AUSTIN:

2 Q. Was there a different approach to handling issues
3 from the older generation?

4 A. Absolutely. The older generation, they would sit
5 around and they would talk about it, they were done. That
6 was it. We didn't have as many formal meetings. Yes, we had
7 our formal Executive Committee meeting on the second Tuesday
8 of the month. Yes, they had their formal Board meeting, but
9 if there was something in between, they would pick up the
10 telephone and call and they'd work it out and they would add
11 it to the minutes or vice-versa.

12 And 2021, we were struggling with that changing over
13 from having strict, formal -- strictly, you know, more
14 informal to a strictly formal setting. You know, you are
15 doing things, here's how you do it, when you do it, and
16 everything else.

17 Q. So the bank was trying to formalize their procedures
18 more and not be quite so -- I guess it's a family,
19 conversational in handling things --

20 MS. LIMEHOUSE: Objection, Your Honor, he's
21 testifying.

22 THE COURT: I believe you are testifying.

23 MR. AUSTIN: I felt it. Sorry. I didn't mean to.

24 THE COURT: Just ask a question. You can't lead the
25 witness.

1 MR. AUSTIN: I'm watching the clock and trying to
2 move along.

3 THE COURT: Well, let's get it right.

4 MR. AUSTIN: Yes, sir.

5 BY MR. AUSTIN:

6 Q. So was it something -- was it a priority of yours to
7 formalize the procedures?

8 A. I wanted it to be a lot -- just do loans. I
9 wanted -- we needed to grow loans. We were one of the
10 lowest, or at the time in 2021, we were I think about second
11 or third lowest in the state of South Carolina in loans to
12 deposits. We needed loans. And we were trying to grow
13 loans. And to grow loans, you've got to go out there and get
14 them --

15 MS. LIMEHOUSE: Objection, Your Honor. Relevance.

16 THE COURT: I'm not sure where this is going.

17 MR. AUSTIN: I think we've made our point. So I
18 will keep going.

19 BY MR. AUSTIN:

20 Q. So let's go to Government's Exhibit 6. If we could,
21 please go to -- I need glasses, I'm realizing more and more.
22 The very bottom here it says that the loans outstanding of
23 Richard Alexander Murdaugh were discussed. The copies
24 attached. What's going on there? What's that mean to you?

25 A. This is August 17th, 2021. And so we had had an

1 Executive Committee meeting, according to the minutes, on
2 August 12th. And it discussed Alex Murdaugh's -- all of his
3 loans. Obviously, we had a Board member send an e-mail
4 wanting to get a list of it. So I presented a list of all
5 loans and everything else so we could talk about it.

6 MR. AUSTIN: All right. Let's go to page 2. And
7 zoom in, please, on the second paragraph. Thank you.

8 BY MR. AUSTIN:

9 Q. All right. Tell us what's going on here.

10 A. This is just a summary that said, Charlie Laffitte,
11 Chairman Laffitte, reviewed all the loans of Alex Murdaugh.
12 And I was saying that his intention was to sell the farm and
13 that we had mortgage on the properties that supersede the
14 property being transferred into Maggie's name. That was
15 obviously in error. And that we didn't add in the
16 charged-off loans. We were just explaining what took place.
17 And we also talked about the \$750,000 loan, because Elizabeth
18 Malinowski didn't see where it was in the formal Executive
19 Committee.

20 Q. And did you agree with her assessment of that
21 \$750,000 loan process?

22 A. Of the -- that it did not go through the formal
23 Executive Committee? Yes, I did.

24 Q. You did agree?

25 A. Yes, I explained that three of the five members

1 approved the loan, which in my way of thinking, you've got
2 three of the four voting members, the loan was approved by
3 the Executive Committee. But we did not -- on our third --
4 second Tuesday of the month meeting, that was not brought in
5 to it, no, it was not.

6 Q. Okay. Were you hiding that loan from anybody?

7 A. Absolutely not.

8 Q. And are you familiar with Credit Leader?

9 A. I am.

10 Q. How do you know anything about Credit Leader?

11 A. I was the one that purchased the program.

12 Q. All right. So what did you understand about when
13 you purchased Credit Leader?

14 A. We were trying to be more responsive, get more --
15 just, you know, get our processes in order. We were trying
16 to grow the bank. And we needed a way for us to be able to
17 look at loans and look at them quickly from other offices.
18 So you could go in there and put it in. And, like, if
19 somebody in the Bluffton office, they could type in it, scan
20 in any documents they wanted to it, they could e-mail me and
21 say, hey, can you look at this, and I could look at exactly
22 what they are looking at right then. And just makes us be
23 more responsive to our customers, which is always what you
24 want to be. You know, community banks, it's not necessarily
25 any cheaper than a big bank, or oftentimes it's more

1 expensive than a big bank because it's more of a boutique.
2 So we've got to sell ourselves on speed and responsiveness to
3 customers.

4 Q. And what was your understanding of when you would
5 log in to Credit Leader and enter information or do anything?

6 A. If you change anything or do anything, it logs it
7 and tells when it was, time, date, stamp, everything.

8 Q. So you were fully aware of that when you purchased
9 the system?

10 A. Yes, sir.

11 Q. There's been a lot of talk about some of this
12 information on the \$750,000 loan put in. Can you explain any
13 of that?

14 A. The 750,000 loan, we approved it. My father, my
15 sister, and I approved it. As you've obviously heard
16 numerous times, it was funded, the 350 was funded with wire
17 in July to Chris Wilson. And then we covered -- deposited
18 \$400,000 in a money order. A money order was cut for the
19 \$400,000 balance of the proceeds deposited into Alex
20 Murdaugh's account to cover his overdraft. And then we had
21 the loan documents signed. Then we actually went in to do
22 Credit Leader. So it had already been approved, but it was
23 not a -- it's not memorialized until you see the August -- I
24 think it was August 18th that shows on Credit Leader that
25 that was the day of approval. It was approved way back

1 before we ever funded the wire. Otherwise, we couldn't have
2 done -- I couldn't have done the wire, because he was so far
3 above my lending limit. But that's when it was put into the
4 Credit Leader.

5 I would have had Carrie Sauls or one of the other
6 ladies type it in. I believe it was Carrie Sauls. I think I
7 saw her name. And then we would have gone in -- I would have
8 gone in after she told me she had all the documents in there
9 and all the notes, I would have hit approve, knowing it's not
10 been approved because it was over my lending limit. And then
11 since I had myself, my father, and Gray Henderson, we would
12 all, as three of the four voting members of the Executive
13 Committee, then I went in and approved it as Executive
14 Committee.

15 Q. All right. And again, y'all were not trying to hide
16 that loan from anybody?

17 A. No. We had already notified them about it.

18 Q. When did you notify them?

19 A. We talked about it in the Board meeting. I mean, in
20 the Executive Committee meeting, and when we talked about
21 those -- I mean, we weren't trying to hide it at all.

22 Q. Your brother testified to the appraisal process
23 starting in April; is that right?

24 A. That was right. We were getting an appraisal done
25 on the house. I'm not sure that's when the actual 750

1 started. But we knew the primary -- the first mortgage was
2 maturing. So we knew we did it. And at some point, he had
3 come in and said he needed some money. The actual loan
4 started off at 500,000. And then it moved as he asked to
5 increase it to 750, said he was doing some work and other
6 things. And so we did it. And we assumed, as y'all would
7 know how assuming ends with Alex Murdaugh, we assumed that
8 the C.E. Smith that he was writing checks to every week or
9 so, I mean, large checks, that was -- that looked to us like
10 normal checks that you would be writing to a contractor.
11 And, yes, we did know that we were doing a \$750,000 loan on a
12 house that had appraised previously at 730. So, no, we were
13 not under the -- we didn't think it was all going to the
14 house.

15 Q. All right. And based on your understanding of
16 what -- the way loans worked, was there any concern on your
17 part that some of this money was not going to the stated
18 purpose?

19 A. No, sir.

20 Q. Why not?

21 A. You know, just like y'all -- somebody said in here,
22 you know, 750 -- the original appraisal that we had at the
23 time was 730,000. You are not going to do a \$750,000
24 renovation on a 7-, 8-, \$900,000 house. And that's why we
25 were taking additional collateral. We wanted that Green

1 Swamp share of stock, which was worth about 230- to \$250,000.
2 And we knew that house was worth a lot more than 700,000. So
3 we weren't that concerned. We felt like we would be, once we
4 got the second mortgage in place, which, unfortunately, we
5 never did, that we would be -- be collateralized at least
6 dollar-for-dollar.

7 Q. And did that beach house end up selling?

8 A. It did, for \$955,000.

9 Q. Okay. If I'm understanding correctly, even though
10 Alex was overdrawn on his account by a substantial sum, close
11 to 3 --

12 A. \$367,000 and some change. But we knew what the
13 funds were for. We were in close contact -- no, we didn't
14 know -- we thought we knew what the funds were for. We knew
15 what he was telling us the funds were for.

16 Q. And so the initial \$350,000, what was your
17 understanding where that money was going?

18 A. He asked me to -- said he needed the money, needed
19 to send a wire to Chris Wilson. He had a lot of irons in the
20 fire at this point in time in his life, lawsuits with the son
21 and, you know, his wife and son had just been murdered. I
22 really didn't question it, you know, I guess a lot because of
23 that. You know, I really didn't ask him. Now, right after
24 September, we knew exactly what had happened with it.

25 Q. When he came to you all asking for this loan in

1 July, what was his demeanor? How was he acting?

2 A. He was distraught. I mean, he just lost his wife
3 and son. It really had started before that. But when we
4 talked to him in July, I mean, as you would expect, somebody
5 that just lost their wife and son violently, I mean, he was
6 real pale, you know, just seemed upset. But we knew -- we've
7 had a long running history with him. We weren't concerned.
8 He had a strong earning history. You know, we didn't -- we
9 felt comfortable loaning him money when he needed it.

10 Q. We've heard testimony about him not working during
11 that time. What was your understanding?

12 A. He was still receiving a paycheck. He was -- they
13 had him go get counseling. I mean, obviously, you know,
14 something tragic like that happens, you need to be able to
15 talk to somebody. And I know that they wanted him to see a
16 counselor. And I think he was just taking like -- stepping
17 back, taking a leave, and turning some things over while he
18 processed this and while he processed his grief and
19 everything else.

20 Q. Okay. So we fast forward to the fall. Was the
21 Board worried about lawsuits during that time?

22 A. During July?

23 Q. In the fall.

24 A. Well, we were already in a lawsuit on the
25 Satterfield case.

1 Q. Okay. And without going into specifics, did you
2 settle that case?

3 A. We did. And that was -- going on the Badger side on
4 the 680, that's why we got -- we wanted to settle it. We,
5 Palmetto State Bank -- I did the transactions; nobody else.
6 I did them. When I did the research and I saw all those
7 transactions, and I was like, you know, you know what, we've
8 got liability. The money went through Palmetto State Bank.
9 We had just settled a lawsuit. We didn't touch the money.
10 And it was a lot more than \$680,000. And they also were
11 adamant about the PR fee in the settlement. So that's why,
12 you take the million 325 plus the 35,000, that's why we did
13 the PR fee. And that's -- I was like, you know what, if we
14 can get out of here for \$680,000 versus a million-plus, we
15 were going to be on the hook on that for a million 1, because
16 that's what truly went through us. The rest went through
17 Bank of America. It would be a hard sell to -- hard to prove
18 that we had any liability there. And that would be the --
19 that's why we did that.

20 Q. You said Satterfield settled for substantially more.
21 We don't want to hear exactly how much. But you said no
22 money came to PSB?

23 A. None of the money flowed through any of our Palmetto
24 State Bank or bank accounts.

25 Q. Why did you all settle it?

1 A. That was under the advice of our attorney, Trenholm
2 Walker, and his firm.

3 MS. LIMEHOUSE: Objection, Your Honor. I believe
4 he's going to divulge privileged communications.

5 BY MR. AUSTIN:

6 Q. Did you think it was in the best interest of the
7 bank?

8 A. Absolutely.

9 Q. Okay. And so were you factoring that into your
10 decision when you wrote the \$680,000 check?

11 A. Absolutely. I mean, I wouldn't have done it except
12 for I knew how much we could possibly be on the hook for
13 after dealing with Satterfield. This was substantially more,
14 in my opinion.

15 Q. And we've heard a lot about bylaws of Palmetto State
16 Bank. And what was your understanding of your authority
17 under the bylaws?

18 A. I had the authority to settle, you know, make
19 contracts, conduct business for the bank. It's not -- and I
20 knew I had the authority. I looked at it.

21 Q. And what about your dad, what authority did he have,
22 or what was your understanding?

23 A. He had the same authority. He could settle, make --
24 do anything for the bank that was needed.

25 Q. Okay. And what about the Executive Committee?

1 A. Same thing.

2 Q. Okay. So y'all didn't discuss it with Jan
3 Malinowski; is that correct?

4 A. We did not, not at that time.

5 Q. Did you think that you needed to?

6 A. Oh, no, we didn't. I didn't think we needed to at
7 that time. We were trying -- you know, time is of the
8 essence. Our thoughts were, let's -- first of all, we had
9 made a mistake. I had made a mistake. A client that thought
10 he had money at Palmetto State Bank had lost money. We
11 needed to make him right. That's the right thing to do.

12 So I went over and made the agreement. I
13 immediately funded it. And, you know, as soon as I funded
14 it, I'm not sure whether it was before or during or the same
15 time, I mean, I notified the Executive Committee on the same
16 day we funded it, and I notified the Board the following
17 morning.

18 Q. Okay. And let's back up to October 25th. Do you
19 recall meeting at PMPED?

20 A. Was that a Monday?

21 Q. I'm not sure.

22 A. I was out of the state when I got the phone call
23 about the checks of Arthur Badger. And I told -- Jeanne
24 Seckinger called me. And I told her, Jeanne, I'm out of
25 town. I said, no, we don't want e-mail. I said I will be

1 there Monday morning to pick it up. Got a handprinted out
2 list, which is in one of the exhibits, that goes through all
3 the checks. We immediately go back, start researching it.
4 As soon as we have it, you know, I take all the checks, the
5 copies, where it went, go back over to the law firm. By this
6 time, I've already talked to my father, because when I'm
7 researching, I realize, oh, my God, what is going on? Talk
8 to him. I went over there and said, hey, let's split it.
9 And we agreed to it. Came back, cut a money order.

10 Q. Okay. And in the Satterfield case, Chad Westendorf
11 had been the conservator in that, right?

12 A. That's correct.

13 Q. And the bank, nonetheless, settled the case, though
14 he had screwed up personally?

15 A. You know, I don't know whether he screwed up
16 personally, but it was messed up, yes.

17 Q. Okay. That was a bad choice of words.

18 A. I understand.

19 Q. Is that part of how it works with a bank, you settle
20 cases sometimes?

21 A. Banks, businesses in general, will settle a lot of
22 cases because they don't want to be just splashed all over
23 the news, as I have been. I mean, you just -- nobody wants
24 that. And you are trying to mitigate the bad press. You are
25 trying to mitigate losses. So you try to settle.

1 Q. Okay. All right. Let's pull up Government's
2 Exhibit 12, please. I believe we've seen this already. This
3 is the e-mail you are talking about where you are notifying
4 the full Board?

5 A. That's correct.

6 Q. All right. And you say here, we covered this over
7 and over, we converted 1.172, and explain everything here.
8 Again, when you said "we converted," you weren't shifting
9 blame, were you?

10 A. Absolutely not. "We" is me and all of us at
11 Palmetto State Bank. I was the actual person that did the
12 transactions. When we say "we," it's part of Palmetto State
13 Bank, because I couldn't have done those transactions if I
14 was not an employee of the bank.

15 Q. Have you ever denied your involvement writing that
16 check or involved in any of the underlying checks that led to
17 the need to do this?

18 A. No, sir.

19 Q. Okay. And why didn't you include more detail about
20 what happened?

21 A. We were told not to. As I've told you all, we were
22 getting subpoenas, and lawsuits are flying around, or threats
23 of lawsuits are flying around. Our attorneys had asked us
24 not to --

25 MS. LIMEHOUSE: Objection, Your Honor. Is hearsay.

1 THE COURT: Sustained.

2 MR. AUSTIN: I don't want what anybody said.

3 BY MR. AUSTIN:

4 Q. Okay. Let's go to Government's Exhibit 78. Is this
5 the check that you delivered to PMPED?

6 A. No, that's their check.

7 Q. Okay. And you did write the check to them, right?

8 A. That's correct.

9 Q. And when was that deposited into Palmetto State
10 Bank?

11 A. They deposited their -- the check, the money order,
12 cashier's check that I took over there on the 29th of
13 October.

14 Q. Okay. So we've heard testimony about that being the
15 date that the money is out the door and it was a done-deal.
16 But that was not your understanding; is that right?

17 A. That's correct. That was not -- just funded the
18 deal, but --

19 MS. LIMEHOUSE: Objection, Your Honor. He's
20 testifying for the witness.

21 THE COURT: Sustained.

22 MR. AUSTIN: Let's go to Government's Exhibit 74,
23 please. Let's zoom on the second e-mail there from Russell,
24 October 28th. Right there.

25 BY MR. AUSTIN:

1 Q. All right. Can you explain what's going on in this
2 e-mail here?

3 A. This is the e-mail that I sent Thursday morning when
4 we had agreed to settle this or made the agreement to split
5 the loss with PMPED to try to make Arthur Badger whole and
6 try to avoid a lawsuit.

7 Q. Okay. So the check was deposited the next day on
8 the 29th, but the day before, you were letting people know
9 about the check?

10 A. Yes, sir. This is -- the "to" line is the Executive
11 Committee.

12 Q. Okay. And did anybody raise concerns then and ask
13 that you put a stop payment order on it?

14 A. They did not.

15 Q. And then you sent the e-mail to the full Board the
16 next day?

17 A. That's correct.

18 Q. And why didn't you just do them both at the same
19 time?

20 A. I'm not sure. I really don't know.

21 Q. I'm going to show you what's marked as Government's
22 Exhibit -- Defendant's Exhibit 83.

23 MR. AUSTIN: May I approach, Your Honor?

24 THE COURT: Yes.

25 BY MR. AUSTIN:

1 Q. Take a look at that. Do you recognize those checks?

2 A. I do.

3 Q. Or that check, I should say. Did you write it?

4 A. I did.

5 Q. And if you could, please explain, how do you
6 remember that check?

7 A. It's \$17,500 out of my pocket. This was, if y'all
8 remember the Donna -- not Donna, Arthur Badger agreement
9 between us and the law firm, is million 325 that was stolen.
10 There was \$35,000 in PR fees, million 360, we divided by two.
11 So Palmetto State Bank had paid \$680,000. In that \$680,000
12 is \$17,500 in PR fees that they did not earn, get or anything
13 else. I got them. So I was repaying Palmetto State Bank the
14 17,500.

15 Q. \$680,000 figure is not entirely accurate; is that
16 correct?

17 A. That's correct.

18 Q. Did the bank accept this check?

19 A. They did. It was -- this check was written and done
20 on 11/1.

21 Q. Okay. So the first e-mail of the Executive
22 Committee is on October 28th. 680 check is written on the
23 29th. And then you wrote this on the 1st?

24 A. I wrote it on the 1st, but the bank did not run it
25 through, as I see on the back, until December 17th. And I

1 can't answer why the difference in dates.

2 MR. AUSTIN: All right. Your Honor, at this time we
3 move Defendant's Exhibit 83 into evidence.

4 THE COURT: Is there an objection?

5 MS. LIMEHOUSE: No objection, Your Honor.

6 THE COURT: Defendant's Exhibit 83 is admitted
7 without objection.

8 (Defendant's Exhibit 83 is received in evidence.)

9 BY MR. AUSTIN:

10 Q. I think you've described this already, but let's
11 just do it real quick for the jury. Reference PR fee, half
12 in settlement at the bottom?

13 A. That's correct.

14 Q. And this is the \$17,500 you wrote to the bank?

15 A. Yes, it is.

16 Q. For half of the conservator fees?

17 A. Correct.

18 Q. Or PR fees. Was it part of your understanding with
19 Ronnie Crosby that they would pay the other half?

20 A. That was correct.

21 Q. That was the deal they all struck?

22 A. That is right.

23 Q. And we've heard a lot about this November 3rd
24 meeting of the Board. Can you describe -- and I don't want
25 to talk about anything outside of just the \$680,000 payment.

1 What was the Board's reaction at that time to the check?

2 A. There was a lot of discussion about it. Obviously,
3 a lot of people were upset, I mean, as we all were.
4 \$680,000, that's a lot of money to just write off. And they
5 were asking if there was any more, which we are doing
6 research as hard as we can, trying to get -- and I'm
7 constantly in contact with the law firm trying to get
8 clarity, hey, we've researched all the case that we were PRs,
9 conservators, or anything. And, you know, there was just a
10 lot of concern. And they asked us to put a pause on the
11 check. So we did.

12 Q. And is that what you discussed on October 31st
13 meeting, the pause?

14 A. You know, there was so many meetings in that time,
15 it's hard to go through and tell you exactly. But there was
16 a pause put on the check.

17 Q. Okay. And were you concerned for your own status at
18 the bank around that time?

19 A. I was. I had gotten an e-mail, I believe it went to
20 the full Board, asking when I was going to resign.

21 Q. And did you think that you had done anything wrong
22 at that point?

23 A. I don't think I did anything illegal. I definitely
24 had made a mistake.

25 Q. And did you say as much to the Board?

1 A. You know, I really don't remember. I'm sure I did.
2 I mean, it was crazy times.

3 Q. I think it's been described as damage control mode?

4 A. Absolutely.

5 Q. And when you are at the November 3rd meeting, did
6 you record the meeting?

7 A. I did.

8 Q. And why did you do that?

9 A. I really don't know. We recorded our meetings for
10 minute purposes. And I'm not sure if my sister, who was the
11 secretary for the Board, was going to be late or something,
12 so I recorded it. I actually didn't realize that I had
13 recorded it until several months ago at the latest or
14 earliest. I just -- I would record them.

15 Q. So was it your sister's practice to record Board
16 meetings?

17 A. Uh-huh.

18 Q. You said for minute purposes?

19 A. That's correct.

20 Q. And then what was her practice with that?

21 A. I assume she just deleted them at some point in
22 time. I don't think she would do it every month, just delete
23 them.

24 MR. AUSTIN: Your Honor, I would like to play
25 Government's Exhibit 60 -- I mean, Defense Exhibit 60.

1 MS. LIMEHOUSE: Your Honor, this exhibit is not yet
2 in evidence.

3 THE COURT: Well, let's take our afternoon break.

4 (Jury leaves open court at 3:29 p.m.)

5 THE COURT: Let me ask, I take it this is the audio
6 where you previously admitted the transcript; is that
7 correct?

8 MR. AUSTIN: I believe the transcript is already in,
9 Your Honor. I misspoke. I should have moved to enter it
10 into evidence.

11 THE COURT: Please be seated. And please be quiet.

12 MR. AUSTIN: We were going to move it into evidence
13 now and then publish it to the jury.

14 THE COURT: Publish what to the jury?

15 MR. AUSTIN: The audio of the record recording.

16 THE COURT: Have you edited it down so it's
17 consistent with the redaction?

18 MR. AUSTIN: Yes, sir. So Defense 60 has the
19 original part that Your Honor approved. And then we have a
20 snippet that the Government wants included as well. We can
21 play that. We are happy to accommodate there.

22 THE COURT: Well, I'm confused. What does that
23 mean?

24 MR. AUSTIN: There's a little --

25 THE COURT: If we are going to play it, you are not

1 going to play the Government's part at the same time, or how
2 are you going to do that?

3 MR. AUSTIN: We are prepared to. We could do it
4 easily. We wanted to play our part.

5 THE COURT: Ms. Limehouse.

6 MS. LIMEHOUSE: Your Honor, we never heard any of
7 these recordings before this moment. And so there's a
8 transcript --

9 THE COURT: She's saying she hasn't heard the
10 redacted version.

11 MS. LIMEHOUSE: None of them, they've never been
12 provided to us. We have a transcript that has been admitted
13 into evidence.

14 THE COURT: Let me ask this. Has the -- I had
15 ordered long ago that the audio be provided. Has it not been
16 provided?

17 MR. AUSTIN: Obviously, it was. We wanted to
18 everybody to hear it.

19 MS. LIMEHOUSE: We have never received the --

20 MR. AUSTIN: That's news to me.

21 MS. LIMEHOUSE: We never received --

22 THE COURT: Here's my concern. You know, there are
23 complex privilege issues here. We've spent a lot of time
24 resolving them. And what I don't want is, oops, we violate
25 it. That's why you show this to the other side so they have

1 an ability to screen it, and if there's a problem, to raise
2 an objection. We've been through this a lot. And I've
3 ordered very specifically -- I believe the word was promptly
4 in my order, promptly, provide this to the Government.

5 MR. AUSTIN: My understanding is that we did, but,
6 we have no desire not to share. We were trying to get it out
7 the whole time.

8 THE COURT: I'm cognizant we've given them a
9 transcript, so you are not going to hide the thing.

10 MS. LIMEHOUSE: Of course. And, honestly, Your
11 Honor, I don't believe that you ever ordered them to turn it
12 over to us. They were ordered to turn it over to the
13 privilege holder, who was then required to provide the areas
14 of the recording that they were not going to assert privilege
15 over.

16 THE COURT: I don't have an ambush problem here.

17 MS. LIMEHOUSE: No, that's not what we are alleging,
18 Your Honor. The problem is more so that I think this
19 recording that we have never heard may risk confusing the
20 jury. There's snippets of redacted portions that we haven't
21 listened to. And we already have a transcript in evidence
22 that says exactly what the defense wants the jury to hear.
23 And so I think it's a waste of the jury's time. And I think
24 it's going to risk confusing them.

25 MR. AUSTIN: Judge, it's a really short snippet.

1 And we could play it during the break here.

2 THE COURT: Let's take a break. And we will come
3 back, play it first for Ms. Limehouse before you play it for
4 me. If it's short, over the break, and then when I come
5 back, let me hear from Ms. Limehouse.

6 MS. LIMEHOUSE: Very good, Your Honor. Fair enough.

7 (Whereupon, recess transpired.)

8 THE COURT: What's the scoop?

9 MS. LIMEHOUSE: We've now had an opportunity to
10 listen to the recording. Our concern is that the portions we
11 wanted included are not coordinating in time. So what they
12 are working on now is finding a way to include those portions
13 the way they appear in the transcript and during the meeting.
14 As long as they can present the jury in the way that those
15 statements took place and as long as the transcript can roll
16 with the recording, we have no objection.

17 THE COURT: Okay. That makes a lot of sense.

18 Now, Matt, how much longer?

19 MR. AUSTIN: I think this part should take 10
20 minutes. And then I have like two minutes of questions.

21 THE COURT: What concerns me is this. How long is
22 your cross?

23 MS. LIMEHOUSE: Long.

24 THE COURT: I don't know we should start a cross.
25 You know, I mean, there's a lot of detail here. You've done

1 a lot of detail. And I'm inclined to send the jury home. I
2 don't think we start at 4:30 on Friday afternoon
3 cross-examination. I don't think it's -- first of all, I
4 don't think it's fair to your client to be at the end of the
5 day like this. And it's not fair to the Government. So I'm
6 inclined to send them home and do the cross Monday morning.

7 Now, let me just confess, if I were in y'all's
8 shoes, I wouldn't want to give the Government all weekend to
9 work on it.

10 MR. DANIEL: I never thought of that, Judge.

11 THE COURT: I wouldn't give them that much time
12 myself.

13 MS. LIMEHOUSE: I also just want to be clear that no
14 communications over the weekend.

15 THE COURT: No, I am not worried. We will tell him
16 that. No, he can't talk. He's on the stand. He can't do
17 that.

18 MR. AUSTIN: We think we are good to go with the
19 slice.

20 THE COURT: Y'all got the slice?

21 (Whereupon, the bench conference ends.)

22 THE COURT: Have we resolved our differences
23 regarding the audio? We are mutually satisfied, Ms.
24 Limehouse?

25 MS. LIMEHOUSE: I believe so, Your Honor.

1 THE COURT: Mr. Austin?

2 MR. AUSTIN: I believe that's right.

3 THE COURT: When he's finished, let me know.

4 MR. AUSTIN: I think we are good, Judge.

5 THE COURT: Bring in the jury, please.

6 (Whereupon, the jury returns to open court at 3:53
7 p.m.)

8 THE COURT: Please be seated. Mr. Austin, please
9 continue your direct examination.

10 MR. AUSTIN: Thank you, Your Honor. At this time,
11 Defense would move Defendant's Exhibit 89 into evidence.

12 THE COURT: Is there an objection?

13 MS. LIMEHOUSE: No objection, Your Honor.

14 THE COURT: 89 is admitted without objection.

15 (Defendant's Exhibit 89 received in evidence.)

16 MR. AUSTIN: We would like to publish it to the jury
17 and also 223, which is the transcripts, and we will play it
18 at the same time the audio is playing.

19 THE COURT: Any objection?

20 MS. LIMEHOUSE: No objection.

21 THE COURT: Very good. Please proceed, sir.

22 (Audio playing.)

23 BY MR. AUSTIN:

24 Q. So what was your understanding of what was going on
25 there and what the Board was or was not onboard with?

1 A. My understanding after that meeting, that we had all
2 agreed to pay the \$680,000, that they were working --
3 Trenholm Walker was working towards getting a release for the
4 bank from PMPED, and that we were going -- moving forward.

5 Q. And I asked this several times through witnesses, to
6 your knowledge, had anybody filed any written dissent to that
7 payment?

8 A. Not to my knowledge.

9 Q. And you informed the Executive Committee, not just
10 your dad, your sister and yourself, obviously not yourself,
11 but on the 28th, you wrote that e-mail to the Executive
12 Committee?

13 A. That's correct, the full Executive Committee.

14 Q. And that includes Jan Malinowski and Scott Swain?

15 A. That's correct.

16 Q. And he was talking about Arthur Badger at the end
17 there. Is he, to your knowledge, a beneficiary of Donna
18 Badger?

19 A. He is not. He renounced that.

20 Q. Okay. I'm going to wrap this up. With the \$500,000
21 line of credit, what was your understanding of that
22 transaction?

23 A. We were doing a line of credit for Mr. Murdaugh.
24 And we were using his -- he had his property in Moselle,
25 1,700 acres, plus or minus. And we were taking a second

1 mortgage on the house and I want to say however many acres
2 the house was actually, a couple of houses, barns, et cetera,
3 and then a first mortgage on the rest of the property, about
4 8- or 900 more acres. And he was going to use it -- I think
5 for business purposes said farming, but he was going to use
6 it as he needed. And the first -- I am not saying it's the
7 first advance, but one of the first advances he took 284,000
8 and paid off Alania -- not Alania, Hannah Plyler, the loans
9 on the Hannah Plyler, and the rest he used lone to cover
10 overdrafts and other things.

11 Q. And did you have any concerns about the fact that it
12 wasn't all used for farming?

13 A. I had no concerns at all. I mean, we were well
14 collateralized, the property was worth about \$3 million, if I
15 remember correctly. And, actually, that loan was paid off
16 within 90 to 95 the days in to a million dollar line of
17 credit.

18 Q. Did the Board vote on approving that loan?

19 A. The Board voted to approve the \$500,000. We, as a
20 Board, voted every month on all the loans over 25,000 to
21 approve them. And then on the million dollars, the Executive
22 Committee took it through the Executive Committee and through
23 the Board.

24 Q. Okay. And it was asked to you about some of the
25 conservator and PR loans earlier. You didn't have any intent

1 to steal from anybody or help anybody steal from anybody
2 there?

3 A. I did not. I wouldn't have been part of that.

4 Q. With regard to the \$680,000 check, \$750,000 loan,
5 \$500,000 line of credit, did you have any intention to
6 misapply funds to the bank or hurt or injure the bank or
7 defraud the bank?

8 A. I would have been defrauding myself, seeing as I was
9 one of the shareholders, and I would not have done it. We
10 were trying to make on the 680. We were trying to make our
11 client -- not our client, the client who lost his money that
12 we facilitated part of the loss, because we did the
13 transaction. We were trying to make the client whole. We
14 were also -- at the same time, we were trying to make the
15 client whole, we are trying to protect the bank and reduce
16 our liability.

17 On the loans, we had no intentions of trying to
18 defraud or mislead. I mean, those loan purposes, you know, I
19 am not even sure who put it on the sheet, but I'm sure I
20 instructed our loan assistant to put "farming" on there. I
21 mean, he owned land. He did raise some timber out there on
22 that property. I mean, it's a significant piece of property.
23 And there was no intent to try to defraud the bank. I mean,
24 he was making payments on it and everything.

25 Q. And you are talking about Moselle, that property?

1 A. I want to clarify. He never made a payment on the
2 \$750,000 loan.

3 Q. And what is your understanding of why?

4 A. Well, it was a single-pay note, so there were no
5 payments due until January. But as we all know, he was in
6 jail before then. So there was no way he was going to make a
7 payment. The only payment is when we -- not we, the Murdaugh
8 family -- sold his share of Green Swamp stock and applied it
9 to that loan, which was \$250,000.

10 Q. Okay. And so in terms of exposure to the bank, the
11 Moselle is under contract, right? You said that the beach
12 house was under contract or --

13 A. It sold.

14 Q. O United and Red Beard, have those properties sold?

15 A. They sold.

16 Q. Do you know how much for?

17 A. I did see it. I can't remember whether it was
18 900,000 or -- you know, those O United and Red Beard LLC,
19 they are two separate LLCs, but they were done in one
20 transaction. So it's hard to tell whether -- when I said
21 they were done in one transaction, the sale, when I saw the
22 sale paper in public records, I couldn't tell whether it
23 was -- I should know that amount or not, but looked to me to
24 be about 1.6 million or something like that. I might be
25 wrong on that.

1 MR. AUSTIN: Okay. Thank you. That's all I have.

2 THE COURT: Ladies and gentlemen, I never like to
3 start a lengthy cross-examination or a direct late on Friday
4 afternoon. So I'm going to send you home. I think everybody
5 will do better first thing Monday morning. So we will
6 resume. I want to remind you over the weekend, I don't want
7 you looking, talking to anyone about the case, not looking at
8 any Internet or any news articles or anything else. Keep it
9 within you. And, of course, when it's all over, you can talk
10 to anyone you wish and share about it. But right now, we are
11 still within the jury family. Okay? So everyone be safe.
12 We will see you first thing Monday morning.

13 (Jury leaves open court at 4:08 p.m.)

14 THE COURT: Please be seated. I want to just -- so
15 Mr. Laffitte will have good guidance here, the rule is once
16 someone is on the witness stand, their lawyers cannot talk to
17 them. So you are on your own. I'm sure you are not going to
18 mind too much not talking to your lawyers this weekend. And
19 you will probably be glad to be ordered not to do that. And
20 so he will resume Monday morning. And over the weekend, we
21 won't have any conversations with him. Any other matters I
22 need to address?

23 MS. LIMEHOUSE: Nothing from the Government, Your
24 Honor.

25 THE COURT: From the defense?

1 MR. DANIEL: Nothing from the defense, Your Honor.

2 THE COURT: Get good rest. We will see you Monday
3 in the morning.

4 (Whereupon, the proceedings are adjourned.)

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CERTIFICATE OF REPORTER

I, Karen V. Andersen, Registered Merit Reporter,
Certified Realtime Reporter for the State of South Carolina
at Large, do hereby certify that the foregoing transcript is
a true, accurate and complete Transcript of Record of the
proceedings.

I further certify that I am neither related to nor
counsel for any party to the cause pending or interested in
the events thereof.


Karen V. Andersen
Registered Merit Reporter
Certified Realtime Reporter